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Sarajevo women sweeping tram tracks Monday on "Sniper Alley" as French soldiers protect them from sharpshooters.

2 Scandals Shake Japan Officialdom

Justice Minister Resigns Over an Unreported Loan

By Nicholas D. Kristof
New York Times Service

TOKYO — Justice Minister Tomoharu Tazawa was forced to resign Monday following a scandal that has simultaneously discredited both the governing coalition and the opposition.

The Japanese political system is regularly shaken by scandals, but they usually affect only one political party at a time. The resignation Monday was noteworthy in that it tarred virtually everyone, adding to public disillusionment about politicians.

Mr. Tazawa denied any wrongdoing, and the major political parties said that they believed him — and that therefore there was no need for any further investigation.

Prime Minister Tomiichi Murayama chose as his new justice minister Hiroshi Miyazawa, 74, a politician with long experience in government. He is the younger brother of Kiuchi Miyazawa, a former prime minister.

The scandal arose after Mr. Tazawa admitted that he had failed to report a loan of about \$2 million from a Buddhist organization. He said he had not realized that loans needed to be reported.

Reports of the loan were an embarrassment to Mr. Tazawa, and he had been expected to face a grilling about it from the parliamentary opposition. But in fact no embarrassing questions were asked in Parliament.

Yomiuri Shimbun, Japan's largest circulation newspaper, reported that in exchange for the opposition not asking embarrassing questions, Mr. Tazawa



Mr. Tazawa, center, after resigning from the government on Monday.

promised he would join the opposition in objecting to the government's plans to tighten controls over religious organizations.

Asahi Shimbun, another major newspaper, said in an editorial that if the allegations were true, then "this is a most shameful deed that makes a mockery of the parliamentary system and grievously insults the public." The newspaper called for a thorough investigation and an airing of the relations between religious organizations and political parties.

The government is trying to revise its law on religious groups because of allegations that Aum Shinrikyo, the sect accused of organizing the poison gas attack in Tokyo in March, was able to gather funds and avoid scrutiny as a

See JAPAN, Page 8

Tokyo Regulators Knew of Huge Loss Run Up by Daiwa

By Sheryl WuDunn
New York Times Service

TOKYO — The Japanese government acknowledged Monday that it knew of a \$1.1 billion loss by a rogue trader at Daiwa Bank six weeks before American regulators were informed.

In that period, the Japanese Ministry of Finance did not act on the information nor did it inform American counterparts, officials said. When the loss was finally announced, in late September, it rattled the world financial community and raised new questions about the solvency of the Japanese banking system.

The new revelations effectively spread responsibility for the affair from just the bank — whose president and chairman resigned Monday — to the Japanese government as well.

"It is true, it's certainly a dent to their credibility, and it shows they knowingly allowed a bank under their supervision to basically break the rules of another country," S. David Snoddy, a bank analyst with Jardine Fleming Securities Ltd., said of the ministry's officials. "It certainly changes how the public sees them. It moves from a situation of Daiwa being on trial to the Ministry of Finance being on trial."

Two weeks ago, it appeared that Tomihide Iguchi, a Japanese-born bond trader in Daiwa Bank's New York office, had duped the bank for 11 years, losing \$1.1 billion and forging 30,000 trading slips and other documents to cover up his mounting losses. Daiwa has said that

See DAIWA, Page 8

AGENDA

31 Killed in Mexican Earthquake

MEXICO CITY (AP) — A strong earthquake shook Mexico's Pacific Coast on Monday, killing at least 31 people and injuring dozens in southern Jalisco State. High-rise buildings swayed crazily in Mexico City, frightening people into the streets.

The quake, with a preliminary magnitude of 7.5, was the second powerful tremor to hit Mexico in a month. It was felt as far north as Dallas and Oklahoma City.

Trading on Mexico's stock market came to a halt but resumed 40 minutes later. Power and telephone service were interrupted for about an hour on the west side of Mexico City.

PAGE TWO
Soul-Searching in Holland

THE AMERICAS Page 2
How Clinton Could Win in '96

ASIA Page 4
Taking Tolls in Singapore

EUROPE Page 5
New Pressure on Clae

INTERNATIONAL Page 6
Intelligence Takes On Nature

BUSINESS/FINANCE Page 15
Technical Shares Tumble

Bonn and Paris Rush to Franc's Defense

By Alan Friedman
International Herald Tribune

PARIS — France and Germany joined forces Monday to rescue the tumbling franc, with the Bank of France raising an important interest rate and the president of the Bundesbank trying to talk up the beleaguered French currency.

Jean-Claude Trichet, governor of the Bank of France, coordinated the defense of the franc from Washington, where he and President Hans Tietmeyer of the Bundesbank are attending the annual meetings of the International Monetary Fund and World Bank.

The Bank of France raised its emergen-

cy 24-hour interest rates by 1.1 percentage point, to 7.25 percent, in an effort to discourage currency speculators. Mr. Tietmeyer, meanwhile, said in Washington that there was "no basis for a French franc problem" and that the currency remained among Europe's strongest because the French economy was fundamentally strong.

The interest rate increase and Mr. Tietmeyer's jawboning succeeded in stabilizing the franc's value against the Deutsche mark. But economists said financial markets remained uncertain about the long-term direction of the currency because of their doubts about France's ability to cut public spending.

With France braced for a one-day strike Tuesday of public employees that could cripple public transport and Prime Minister Alain Juppé on the defensive over a housing scandal (Page 5), Mr. Trichet stressed that the German and French central banks were "working in permanent cooperation."

Economists said that the French and German officials were clearly making a show of unity, especially because the franc's weakness, along with a 1.3 percent drop in the CAC 40 Paris bourse index Monday, reflected continuing market doubts about France's ability to slash its budget deficit enough to meet conditions

See FRANC, Page 8

A Pleasant Place in Iran Where Mixed Emotions Rule

By John Lancaster
Washington Post Service

ISFAHAN, Iran — The West views Iran as a land of unbridled radicalism: hostile ayatollahs, cloaked women, mobs chanting "Death to America." Here in this one-time capital of imperial Persia, 400 kilometers south of Tehran, things look different.

Along the banks of the Zayandeh Rud river, couples stroll amid pomegranate trees and gently swaying palms. Fountains play from the ramparts of a newly restored stone bridge. And in the 17th-century covered bazaar adjacent to Naghsh-e-Jahan Square, an American visitor is besieged not by hostile stares but by rug merchants eager for his business — and questions on when and if his countrymen will return.

It is, in fact, a pleasant place.

Notwithstanding Iran's many economic woes, includ-

ing chronic unemployment and a doubling of prices for basic foodstuffs in the last year, Isfahan abounds with recent evidence of government largesse, including new roads and parks and a modern fertilizer plant.

Health care is reasonably sophisticated, and a burgeoning network of private, and largely secular, schools is offering an alternative to overcrowded government ones, at least for parents who can pay.

Such conspicuous improvements help explain the mixed emotions of many Iranians toward the turbaned mullahs whose revolution 16 years ago deposed the American-backed shah and gave birth to an Islamic state.

A recent three-day visit to this city of 1.1 million people revealed deep frustration with many aspects of theocratic rule, including economic mismanagement, corruption, arbitrary decision-making and sharp restrictions on personal freedom.

At the same time, there was grudging respect for the government's tangible achievements, even among West-

ernized elites who otherwise have little use for its radical brand of social and foreign policy.

If the popular mood of Isfahan is any guide, the Islamic revolution continues to enjoy considerable support — and may prove to be a more enduring phenomenon than many in the West would think. The United States, which accused Iran of sponsoring terrorism and secretly trying to develop nuclear weapons, banned U.S. trade with Iran this year. Iran denies both charges.

"If you ask me, during these 16 years, what has been done in this country, there are many good things," said a well-to-do physician who is no particular fan of Islamic rule. "The country has become more self-sufficient, more confident, more self-respecting."

Isfahan is hardly immune to the economic troubles that plague the rest of the country. These are felt most sharply by salaried workers such as civil servants, whose

seat on the Armed Services Committee. In doing so he was observing family tradition: His great-uncle, Carl Vinson, a Democrat who retired in 1964 after 50 years in the House, used his chairmanship of the Armed Services Committee to help build a strong military.

In his years in Washington, Mr. Nunn built an edifice of power that rests in part on his solid political base back home — he captured more than 80 percent of the vote in winning re-election in 1978, 1984 and 1990 — and partly on what has been described as his baronial independence. Mr. Nunn was a key supporter of military buildup under President Jimmy Carter in 1979, and an even more vigorous buildup under President Ronald Reagan two years later.

He has been cautious, however, about the actual use of force, as he was in the Gulf War. Nor has he been a knee-jerk

See NUNN, Page 8

French Budget Slides

Performance of the CAC 40 stock index

French franc right scale

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Dutch Soul-Searching / Peacekeepers' Role in Bosnia Stirs Doubts

Is Holland Still a 'White Angel in a Dark World'?

By Stephen Kinzer
New York Times Service

AMSTERDAM — On the afternoon of July 11, as Bosnian Serbian units were tightening their noose around the Muslim town of Srebrenica, the Bosnian Serbian commander, General Ratko Mladić, decided to teach Dutch peacekeepers there a lesson in his form of warfare.

General Mladić summoned the Dutch commander and several of his officers to a hotel outside of town, and ushered them into a room where a live pig was tied up. As they watched, a Bosnian Serbian soldier slit the pig's throat, sending blood gushing onto the floor.

"Mladić told them that was how he would treat people like those protected by the Dutch peacekeepers," said Bert Kreemers, a spokesman for the Dutch Defense Ministry, in recalling the incident. "He said he was going to do the evacuation his way."

A few hours later, Bosnian Serbs marched into Srebrenica and captured it without firing a shot, defying a United Nations order that the town remain a demilitarized "safe area." There was little the 450 lightly armed Dutch peacekeepers could do to stop them.

Many people in the Netherlands, however, believe that the peacekeepers could have done more to prevent the expulsions, rapes and killings that witnesses and human rights workers say followed the takeover. Their failure to do so has stung the national conscience.

Critics say the Bosnian Serbian record in treating Muslim civilians, as well as explicit warnings like the pig butchering, should have led Dutch peacekeepers to suspect the worst as Bosnian Serbian soldiers began separating military-age men from the rest of the population and shipping them off in trucks and buses.

Instead, even as peacekeepers saw the bodies of freshly killed Muslims in Srebrenica, they raised no alarm.

Dutch politicians are wondering aloud if a tougher Dutch line might have saved civilian lives in Srebrenica. They have suggested that Dutch officers, anxious to avoid casualties in their ranks, allowed honor to give way to expediency by minimizing or overlooking the atrocities being committed around them.

"There is a widespread sense of national shame over the Srebrenica episode," said Fred van Staden, director of the Netherlands Institute of International Relations and a senior adviser to the Defense and Foreign Affairs Ministries. "We always think of ourselves as being very humanitarian and good, but the complete failure of our mission in Yugoslavia shows that there is a clash and a cleavage between our self-image and our actions."

Public anger over the failure of Dutch soldiers to protect civilians in Srebrenica was increased by a series of statements from Dutch commanders in the days after the Bosnian Serbian takeover.

On July 17, as Dutch peacekeepers were preparing to leave Srebrenica, one of their senior officers, Major Robert Franken, signed an agreement with Bosnian Serbs certifying that "the evacuation was carried out by the Serb side correctly."

Later that week, as the peacekeepers were arriving in Zagreb, the commander of Dutch ground forces, Lieutenant General Hans Couzy, who had flown from Amsterdam to meet them, said he knew of no evidence suggesting that Bosnian Serbs in Srebrenica had committed crimes akin to genocide.

At a news conference the next day in Zagreb, Lieutenant Colonel Ton Karremans, who had commanded the Dutch battalion in Srebrenica, asserted that the Bosnian Serbs' "militarily correct operation" had been car-

Dutch UN troops, whose role in Srebrenica has been questioned, carrying the coffin of a comrade killed by Bosnian Muslims. The Associated Press

ried out "in the right way." Before leaving Srebrenica, Colonel Karremans was photographed, glass in hand, with General Mladić.

These statements sparked heated debate in the Dutch Parliament, and in August the Defense Ministry opened an official inquiry into events surrounding the fall of Srebrenica. A report is expected later this month, and senior Defense Ministry officials as well as officers who served in Srebrenica are refusing to comment publicly until then.

Few others are so reluctant. Dutch newspapers have been filled with commentaries and letters about the Srebrenica debacle, many conveying anger. Some critics are questioning not only the conduct of the Dutch battalion in Srebrenica, but also the relevance of the Netherlands' traditionally peaceful, consensus-oriented approach to world affairs.

"Srebrenica was a turning point," said a senior Dutch diplomat who deals with Balkans policy. "We are starting to realize that we are no longer the kind of robust society that can deal with tyrants and criminals. We don't back up our diplomacy with a big stick. That is an approach that can have tragic results, as it did in Srebrenica."

In the hours after the Bosnian Serbian takeover of Srebrenica on the night of July 11 and the early morning of July 12, an estimated 25,000 residents fled from the town to what they hoped would be safe refuge in and around the Dutch headquarters in nearby Potocari.

Dutch peacekeepers, however, allowed Bosnian Serbian soldiers to enter the area, separate men of military age from other residents and send some of them away on trucks and buses unaccompanied by foreign observers. Many have not been heard from since.

Dutch peacekeepers also saw Muslims being taken into a warehouse, and later reported having found bodies there. Other peacekeepers reported seeing Bosnian Serbian soldiers in-

terrogating Muslims at the Nova Kasaba soccer field near Potocari, a site that U.S. officials believe was later used as a mass grave.

Tadeusz Maziowiecki, who quit his post as the chief UN human rights monitor in the former Yugoslavia on July 24 to protest the UN failure to protect civilians in Srebrenica, urged in his final report that an international investigation of the conduct of Dutch peacekeepers be opened. No such investigation is under way, but several Dutch politicians are determined to pursue the matter.

JAN HOEKEMA, a former Dutch diplomat who is now a member of Parliament, said: "I question whether a stronger or more emphatic approach to Mr. Mladić could have avoided what happened."

"I question whether, if we had insisted that no refugees be allowed to leave Potocari before Red Cross or UN relief workers arrived, that would have made a difference," he added. "It's extremely difficult to prove, but I believe it would."

The fact that the Netherlands is in the midst of a painful reassessment of the role of Dutch collaborators during the Nazi occupation, and that the country is also facing unpleasant aspects of its war against Indonesian guerrillas in the late 1940s, has put the pain of Srebrenica even more acute, Mr. Hoekema said.

"There is a very intense linkup of various historical events," he said. "We always thought, and some still think, that Holland is a white angel in a dark world. Now we are wondering if we really are always heroes. Psychologists and sociologists have not begun to comment on this yet, but I believe they will."

Mr. Kreemers, the Defense Ministry spokesman, defended the performance of Dutch peacekeepers. He said that the UN had not given them orders to prevent Bosnian Serbs from taking Srebrenica and that in any case they did not have the arms or troops to do so.

The Dutch force in Srebrenica had been

reduced from more than 600 to about 400 because Bosnian Serbs had refused to allow peacekeepers to return after leaves. Bosnian Serbian roadblocks also left the Dutch battalion with less than 20 percent of the ammunition it should have had. Because so few spare parts reached the battalion, Dutch soldiers were not able to test their anti-tank weapons.

The Bosnian Serbs, by contrast, numbered in the thousands and were equipped with mortars, artillery and other heavy weapons.

"Did the Dutch stand by and do nothing?" Mr. Kreemers asked. "No, they didn't. There was no way they could do anything against the overwhelming superiority of the Bosnian Serbs."

"We should keep in mind that this was a UN mission," he added. "The responsibility for the failure rests with the UN and its member states. The Netherlands is one of those member states, so we don't flee from the responsibility we have. But we are not the sole or only one responsible."

The United Nations declared Srebrenica a "safe area" in 1993, imposing restrictions on military activity that were to be enforced by NATO air power. But as Bosnian Serbian forces closed in on Srebrenica and other UN-designated enclaves, "close air support" came only sporadically and never with decisive force. In addition, the number of peacekeepers assigned to protect the enclaves never approached the 34,000 that ground commanders said they needed. By all accounts, Bosnian Serb units had been bullying the Dutch for weeks before they finally took the town.

COMING UP

Some Canadian doctors believe that cutbacks in the nationalized health care system are denying them the resources, the funding or the freedom to do their jobs, and they are taking action.

TRAVEL UPDATE

General Strike to Paralyze France

PARIS (Combined Dispatches) — France is likely to be brought to a standstill Tuesday by the general strike of the country's 5 million public employees. Getting around will be a struggle as public transportation is halted.

Workers in the railroad, school, hospital and public utility sectors will all be on strike for 24 hours. Minimum service will be guaranteed in some sectors, including hospitals.

Trade union members will march through Paris and other main cities, adding to the traffic jams. Management said the Paris Métro could be paralyzed, while the SNCF, the state-owned railroad, said it would be able to operate only one of four high-speed TGV and main line trains. The company said that suburban and regional trains services would also be severely disrupted. (AFP, AP)

(Related article, Page 5)

A husband and wife were fined £400 (\$633) each on Monday for trying to smuggle a dog into Britain by the Channel Tunnel in the first such case involving the undersea link with France. Dogs entering Britain must be quarantined six months. (Reuters)

Tourism is booming in Egypt again — with more than 3 million visitors expected this year — following a drought caused by unrest and war, an official said Monday. (AP)

Families of victims of China Airlines crash in central Japan last year will file suit next month for 30 billion yen (\$300 million dollars), news reports said Monday. (AFP)

New Ethnic Cleansing Begins
Fears Are Voiced for Muslims and Croats

Washington Post Service

SARAJEVO, Bosnia-Herzegovina — Serbian forces, seeking to complete the expulsion of all Muslims and Croats from territory they hold in northern Bosnia, have started a brutal new wave of ethnic cleansing, incinerating men and forcing women, old men and children to ford a frigid river and cross an active battlefield toward Muslim-held territory, aid officials said Monday.

Senior Western aid officials said they were taking seriously reports from women refugees that their husbands and sons, who were taken away by the Serbs, had been killed.

"There is a life-threatening situation there," an aid official said. "We've got to get to the men fast."

In an indication of the concern, the International Commit-

tee of the Red Cross has requested "immediate and unrestricted access" to the men.

Western aid officials said they believed the new round of expulsions was aimed at clearing the last of the Muslims and Croats from northern Bosnia in preparation for a peace deal.

Officials said the campaign violated numerous agreements signed by the Bosnian Serbs to respect the rights of minorities in their territory. Indeed, Point 5 of the new cease-fire, brokered by the United States, guarantees humane treatment for all civilians.

The campaign also contradicts the spirit of the agreements made by the Yugoslav government at peace talks on Sept. 28 that displaced people in Bosnia would have the right to return home.

—JOHN POMFRET

Arab League
Seeks to Fight
Genetic Illness

Agec France-Press

CAIRO — Arab nations examined on Monday the idea of a "genetic map" of the region to help fight hereditary diseases made common by the custom of marriage between cousins, the Arab League said.

The league's panel on preventive and genetic medicine began meeting Monday in Cairo, said Ahmed Kadri, the league's deputy secretary-general.

He said he asked the panel to work on an "Arab genetic map."

"Genetic diseases are among the most important striking the Arab world due to the tradition of marrying relatives," Mr. Kadri said.

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Balkan Jerusalem
Rises in Sarajevo
All Sides Demand a Piece
Of City at Heart of the WarBy John Pomfret
Washington Post Service

SARAJEVO, Bosnia-Herzegovina — Several hundred feet under First Lieutenant Nicolas Tete's UN observation post on a hill above Sarajevo, a small alley meanders between two sides of a drab housing project.

On one side, several girls were jumping rope, reveling in Sarajevo's version of an Indian summer. On the other, less than 50 feet away, a pack of boys were deep into a soccer game.

In between, Lieutenant Tete pointed out, a line of trenches split the kids in two — one group Muslim, the other Serb.

"That's where their fathers are spending the day," said the young French officer as the children's laughing, carefree voices trickled up to his post. "It's crazy. And what's going to happen when there's peace?"

Lieutenant Tete's simple question and the bizarre scene below him underscores a major issue befuddling diplomats, Muslims, Serbs and Croats alike as the prospects for a cease-fire, which is scheduled to begin Tuesday, increase in Bosnia and with them the chances for an end to 41 months of bloodshed. What is the future of Sarajevo?

Ever since Bosnia's war erupted, Sarajevo has been the symbol of the death of the New World Order, the chaos spawned by the collapse of the Berlin Wall and communism, a ghastly mint where the currency of future wars — a withering siege, sniper fire, shelling of schools, hospitals and apartment blocks — was printed without cease.

Since then it has played different roles — symbolizing the struggle of multiculturalism vs. ethnocentrism, the futility of international involvement in the ex-Yugoslavia and the failure of the United Nations and the European Union to stop Europe's worst conflict since World War II.

But with talk of peace in Bosnia, this crumbling European capital has taken on a new role — that of the Jerusalem of Europe — the main prize of the Bosnian peace process. How this new Jerusalem — home to Muslims, Orthodox, Catholics and Jews — is divided or united will do much to influence the course of peace or the resumption of war in the Balkans.

And, more than that, how the smallest proportion of the city's three main ethnic groups, the Croats, who are ostensibly allied with the Muslims, have a great deal of influence because of the support the Croatian Army has given to Bosnia. Without the Croatian Army, 1,500 square miles of territory would not have been grabbed from the Serbs last month in northwestern Bosnia-Herzegovina. And a Serbian committee to recapture that turf uncheckered.

Under a plan being pushed by the Bosnian Croats, each main ethnic group in Sarajevo would control separate boroughs. The Croats would hold two, and the Muslims and Serbs would split the remaining seven. The 10th, Pale, now the mountain headquarters of the Bosnian Serbs, would be separated from the city and remain a Serbian stronghold.

Correction

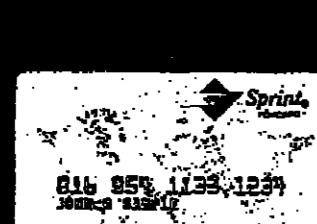
A caption in editions of Oct. 6 incorrectly identified a speaker in the Spanish Parliament. The speaker was Rodrigo Rato, spokesman for the Popular Party.

just ask the butler...

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THE AMERICAS

Clinton Tactic for '96 Races: Beat Republicans at Their Own GameBy Ann Devroy
Washington Post Service

WASHINGTON — Earlier this year, President Bill Clinton and company set their political strategy: Adopt the most potent issues in the Republican arsenal and go into the 1996 election year with the enemy disarmed.

Now the president and his team head into the final rounds of the debate over the government's role in the nation's life that began with the 1994 congressional elections in which his aides optimistically call "the 1995 recovery."

How the president got there begins with a revamped and campaign-oriented White House staff, the arrival of a longtime political adviser with a strategy that has been followed closely this year, and the inclusion of an element that always has been an

important part of Mr. Clinton's political success: something or someone with which to compare himself. In this case, that is the Republican Congress.

Republicans — and even some Democrats — call the Clinton recovery strategy an exercise in unprincipled political positioning, being directed by an unprincipled political consultant: Dick Morris, Mr. Clinton's sometimes Republican, sometimes Democratic adviser.

They see Mr. Clinton reconstructing on a grander scale the centrist positioning — the Republican right, and the Democratic left — that helped him win the presidency. Mr. Morris calls the strategy "triangulation."

Polls released in the week and half that is working, at least for now. Mr. Clinton's message that he is for the popular things Republicans favor — like a balanced budget — but against the unpop-

ular things they propose — like cutting Medicare health care benefits — is beginning to take.

A Washington Post poll last week gives Mr. Clinton higher marks than Republicans for helping the middle class, protecting popular social programs and preserving health care and retirement programs — traditional Democratic strengths.

But it also shows him making up a huge deficit in areas where Republicans usually dominate. In January, Republicans enjoyed a 22-point advantage on questions about who people trust to handle the economy or cut the deficit and a 30-point advantage on cutting taxes. By last week, Mr. Clinton was in parity with the Republicans on handling the economy, and only a few points behind in other areas of traditional Republican strength.

According to White House officials who have repeatedly heard him describe it, the

Morris strategy's first move is to co-opt the Republicans on the issues most popular with the public. The next move is to identify the Republican issues that Americans are most uncomfortable with and make them stick. These are identified by the White House as loosening environmental protections or cutting the social safety net.

According to the theory, such a move gives the public a clearer picture of what the president stands for and accounts for the changes he has made in his positions this year.

The most notable change was Mr. Clinton's proposal to balance the budget in 10 years, a proposal that came only months after he had sent Congress a budget plan that forecast \$200 billion deficit into the foreseeable future. The president also gave up on his insistence that all poor Americans who qualify be guaranteed welfare benefits, and he proposed shortly after the

1994 elections to increase military spending.

The larger picture is supposed to be of an even more conservative New Democrat than the one Mr. Clinton ran as in 1992.

The next stage is described by a White House official as "projecting the values that lie behind the stands the president takes." Officials say that the building of a values agenda to contrast with the "extreme" Republican agenda is under way, and that internal polling is beginning to show what one official said was a "significant drop" in "our weak, vacillating, opportunistic quotient."

A senior official acknowledged that the next, and perhaps more difficult, step is to develop a powerful argument for four more years.

"Clinton, like every other Democrat, knows that the New Deal is dead," the

official said. "That old-time religion just doesn't sell any more."

He said that although the Democrats' "music" was "not yet ready for the Top 10 hits," like the Republicans' tune, "what you see now is Clinton working this through, trying things out, letting it evolve."

"That is what 1996 will be about," he said, adding, "1995 is about getting Clinton back to a point where people say, 'Let's take another look.'"

White House officials maintain that the Clinton re-election White House is now in order and its reconfiguration this early is yet another example of the taking-nothing-for-granted mentality at play there.

"We had a good week," an official said. "Only 57 to go."

POLITICAL NOTES

Transit Lobby Pulls Out the Stops

WASHINGTON — About 40 percent of transit systems around the country have been forced to raise fares in the past year, most because of cutbacks in federal operating assistance, according to a survey conducted by the American Public Transit Association.

The survey of 157 transit systems, ranging from large urban systems to rural ones, also indicated that about 40 percent of the systems have cut back service, 35 percent have canceled or postponed planned service expansion and 21 percent have laid off employees.

The survey, released Monday at the group's annual meeting in San Antonio, is part of a campaign to persuade the Clinton administration and Congress to pull back on deep cuts in federal transit spending. (WP)

Powell to Skip Washington March

WASHINGTON (AP) — General Colin L. Powell will not attend the upcoming black men's march because it conflicts with his previously scheduled book tour, a spokeswoman said Monday.

The Oct. 16 march in Washington, conceived by the Nation of Islam leader, Louis Farrakhan, falls on a day when General Powell will be promoting his book in New York, said his spokeswoman, Peggy Cifino.

Mr. Farrakhan telephoned to invite General Powell before the retired general left for London over the weekend, she said. The former chairman of the Joint Chiefs of Staff left open the possibility of attending because he did not have his schedule with him at the time. General Powell subsequently notified Mr. Farrakhan he could not make it, Ms. Cifino said.

Asked about General Powell's opinion of the march, which has split black leaders, she "I believe he supports its purposes." The march has been billed as an event to instill responsibility and unity in black men and increase their political power. (AP)

Ideal Seats for Dole-Gramm Fight

WASHINGTON — Just after Republicans won control of the Senate a year ago, Senator Phil Gramm of Texas felt assured that his 16 years in Washington would give him the nod for a seat on the Finance Committee and a solid stage to promote his tax policies and his presidential ambitions.

What he did not count on was his major rival for the Republican presidential nomination, the Senate majority leader, Bob Dole of Kansas, undermining that plan by persuading more senior members to lock up seats on the committee and to shut out Mr. Gramm.

As it has turned out, that episode was the opening poke in a sparring match between Mr. Dole and Mr. Gramm that has gotten only grittier as they near the first party primaries and caucuses next year to determine who will be the Republican nominee.

Largely out of the public view, the rivalry between Mr. Dole and Mr. Gramm has rooted itself on Capitol Hill, and the Senate has become an arena for what both men see as a must-win fight for the hearts and votes of their party's right wing.

"Outside of a four-mile radius of Capitol Hill, I haven't heard anybody talking about what happened on the Senate floor between Dole and Gramm," said Warren Rudman, a former Republican senator from New Hampshire who is supporting Mr. Dole's candidacy. (NYT)

Quote / Unquote

Senator Sam Nunn, the Georgia Democrat who announced Monday that he would not seek re-election: "I know in my heart it is time to follow a new course." (AP)

Away From Politics

• Bus system employees in Minneapolis and St. Paul went on strike in a dispute over wages, halting public transportation for about 100,000 daily riders in Minnesota. (AP)

• A hotel housekeeper in Baltimore committed suicide by jumping out a 29th-floor window, nearly hitting three persons a block from the parade route of Pope John Paul II. The police said the woman was Miley Lee Carr, 36. (AP)

• About 2,000 worshippers celebrated the opening near Austin, Texas, of what officials say is the biggest Hindu temple in North America. The temple, encompassing about 35,000 square feet (3,200 square meters), was built on what was once a cattle ranch. (Reuters)

• Ten people were rescued from a boat that caught fire off Fort Lauderdale, Florida, on the way to bury a 90-year-old man at sea. None of the passengers was injured. (AP)

Sabotage Suspected As Amtrak Derails*The Associated Press*

HYDER, Arizona — The Sunset Limited derailed in the Arizona desert Monday, killing one person and injuring more than 100 after apparent sabotage to the tracks sent railcars hurtling off a 30-foot-high bridge about 50 miles southwest of Phoenix.

The Amtrak train was bound for Los Angeles from Miami and was carrying 248 passengers and 20 crew members when it derailed around 1 A.M.

Two sleeper cars and a diner plunged off the bridge. In all, both locomotives and the first eight of the train's 12 cars derailed, Amtrak said.

"We don't believe it's an accident," said the Maricopa County sheriff, Joe Arpaio. "We found some information or evidence at the scene. I'm not about to talk about it right now."

He said tracks had been tampered with, but gave no details.

He said two people found at some distance from the scene were questioned.

Authorities said that they were not suspects.

An engineer had reported seeing "something unusual," said a police sergeant, Tim Campbell.

The FBI was investigating, said Jon Poston, spokesman for the state Corporation Commission.

which regulates railroads. The scene could be reached by road by four-wheel-drive vehicles only with difficulty. The rescue was carried out almost entirely by air.

The train sat with the engines upright, one car behind them tilting toward the streamlined and the next three cars lying in the bed, with little visible damage.

The remaining cars sat upright on the far side of the streambed.

"It was like the 1995 earthquake in Los Angeles, only we were falling 25 feet through the air," said Brian Hamblet of Los Angeles.

The whole thing happened like in slow motion. It was like taking a roller coaster ride."

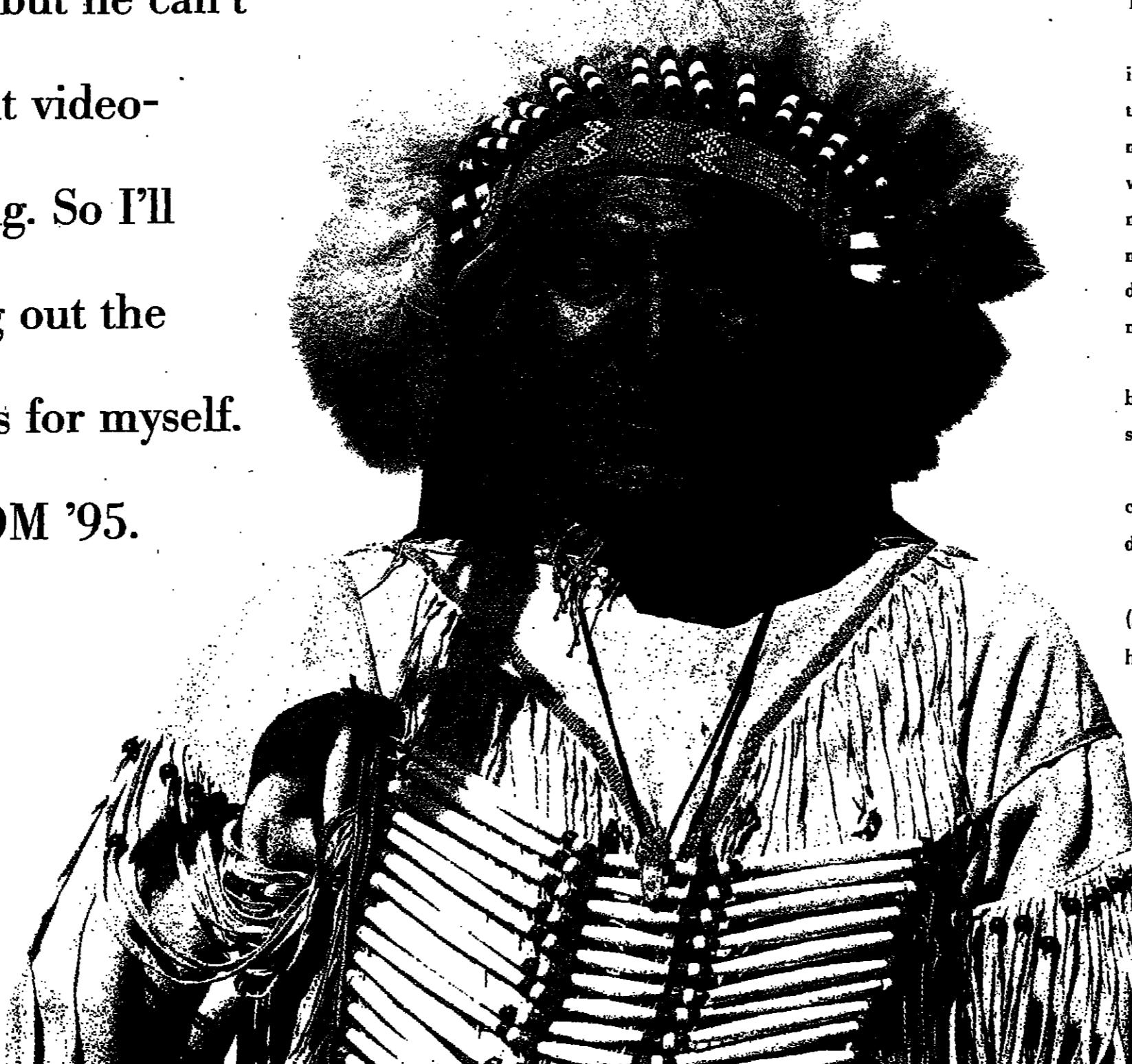
A triage center was set up on sandy desert soil next to a dirt road about six miles from the accident scene. Medical personnel in lab coats worked alongside military units as helicopters landed nearby with injured passengers.

A fire truck sprayed the landing pad with water in an attempt to control dust whipped up by the choppers.

The train left Miami on Friday, but because of Hurricane Opal, the section of the journey from Jacksonville, Florida, to New Orleans was made by bus, said a railroad spokesman.



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Solutions for a small planet

Singapore Moves Toward Electronic Tolls for Vehicles

By Michael Richardson
International Herald Tribune

SINGAPORE — In a major step toward a transportation network for the 21st century, Singapore has awarded a contract to create an electronic toll system to reduce automobile congestion in the city-state.

The system, described as the world's first for urban traffic management, will use electronic debit cards installed on all of Singapore's 650,000 motor vehicles. The so-called smart cards will be slotted into small holders mounted inside the windshield.

As vehicles pass under electronic scanners mounted on gantries leading to congested areas and busy highways, charges will be deducted from credit stored in the cards. The first phase of

the system, which will cost 197 million Singapore dollars (\$140 million), will start operation in late 1997. It will be extended in stages to provide island-wide coverage by the end of the century.

A contract for the program was awarded Friday to Philips Singapore, Mitsubishi Heavy Industries and Miyoshi Electronics of Japan and CII Systems & Engineering, a subsidiary of the Singapore government's Singapore Technologies group.

One advantage of electronic road pricing is that charges can be automatically raised at peak periods or on busy routes to discourage the use of private vehicles without involving lines of motorists at toll booths.

Since 1975, Singapore has restricted rush-hour access to the city center to drivers who have

bought special permits, which have to be displayed on windshields and are monitored by police manning entry checkpoints.

The government also imposes hefty taxes on cars and makes people who want to own them bid for the right to do so. That privilege costs about 18,250 dollars for small automobiles and 45,000 dollars for medium-size family sedans. Under government regulations, cars more than 10 years old must be taken off the road.

This system has succeeded in controlling traffic flow much better than in most other East Asian cities.

Despite some of the world's highest ownership prices, Singaporeans are turning to cars in ever-growing numbers as their affluence increases.

Roads now occupy 11 percent of Singapore's

587 square kilometers, about the same area as housing. Mah Bow Tan, the communications minister, warned last month that if trends continued, roads could take up 16 percent of the island-state by 2010.

He said that the increase would be at the expense of housing, schools, offices, factories, parks and gardens.

"I do not think Singaporeans are prepared to accept that," Mr. Mah added.

The Land Transport Authority was instructed by the government recently to prepare a White Paper by mid-November to detail how Singapore could develop and sustain a world-class transport system.

The country already has a mass rapid transport system that runs underground in the business district and on elevated rails elsewhere.

BRIEFLY ASIA

Taipei to Lift Defense Outlay 20%

TAIPEI — Taiwan has decided to raise its defense spending by 20 percent in fiscal 1996-97 mainly to buy more military hardware, the China Times reported Monday.

The entire defense budget was likely to hit a record high of \$11.1 billion, a 20 percent increase compared with fiscal 1995-96, it added. Defense spending for 1995-96 was set at \$10.24 billion, compared with \$9.89 billion in 1994-95.

The increase was designed to cope with tensions across the Taiwan Strait and current military needs, the paper quoted "authoritative" military sources as saying. (Reuters)

Sumatra Halts Search for Bodies

SUNGAIPENUH, Indonesia — Soldiers, hampered by heavy rains, suspended their search Monday for more bodies after a devastating earthquake on Sumatra.

The downpour and two overnight aftershocks brought more misery to the survivors of the quake that hit parts of Jambi Province in south-central Sumatra with a magnitude of 7 on Saturday. Officials said that at least 100 people died, but only 79 bodies have been recovered. (AP)

Deng Healthy, Still a Bridge Fan

BEIJING — Deng Xiaoping, the 91-year-old Chinese patriarch, is in good health and still able to play his favorite card game, bridge, if assisted, his daughter Deng Nan told a visiting U.S. businessman Monday.

Charles Wang, founder and chairman of the software giant Computer Associates, said she made the comments during a private luncheon. (AFP)

Marijuana a Bigger Hit in Japan

TOKYO — The use of marijuana is spreading among young Japanese, with the number of people arrested for smuggling or possession of the drug hitting a record 2,103 in 1994, a government report said Friday.

Of those arrested, about 70 percent were under 30, said the report on narcotics released by the Health and Welfare Ministry. A total of 17,564 people were arrested for offenses involving drugs in the year, down 2.6 percent. (AP)

Rockets Blast Offices in Karachi

KARACHI — Attackers fired at least five rocket-propelled grenades at a provincial government office block here Monday, wounding four people, the police said.

Witnesses said three grenades hit the top floor of the seven-story Sindhi provincial secretariat building, blasting the cabinet room and offices of the health and education ministers. The other two rockets slammed into the fifth and sixth floors, starting fires. There was no immediate claim of responsibility. (Reuters)

Starvation Charged in Sri Lanka

COLOMBO — Tamil Tiger rebels accused the government Monday of trying to starve them into submission by withholding food from residents of the rebel-held northern Jaffna Peninsula.

The rebels' statement from London, said bread has been rationed since Sunday because of a flour shortage. (AP)

For the Record

Pakistan on Monday expelled Masood Khalili, the Islamabad-based envoy of President Burhanuddin Rabbani of Afghanistan, his family said in Islamabad. (Reuters)

VOICES From Asia

Fortunato Dejoras, executive director of the National Disaster Coordinating Council in the Philippines, on the fact that 400,000 people are in the path of a mudflow from Pinatubo volcano: "When there is an emergency, meaning when the mudflow comes down because of the rains, we will implement the evacuation. But there's a very stiff resistance from the townspeople." (AP)

Zhao Dengji, China's deputy chief prosecutor, telling an international anti-corruption conference in Beijing: "Power unchecked leads to corruption." (Reuters)

North Korea Party To Make Kim Chief Russian Report Cites Move

Compiled by Our Staff From Dispatchers

TOKYO — The Russian news agency Itar-Tass said Monday that Kim Jong Il would be declared general secretary of the North Korean Communist Party on Tuesday, finally settling the question of the country's leadership.

Citing sources close to the North Korean Embassy in Beijing, Itar-Tass said that Mr. Kim, the oldest son and long-designated heir of the late president, Kim Il Sung, would officially be appointed to succeed his father on the Korean Workers' Party's 50th anniversary on Tuesday. The elder Kim died in July 1994.

The agency, in a dispatch monitored in Tokyo, quoted the sources as saying that the Chinese Communist Party chief, Jiang Zemin, had attended a

reception at the embassy after being told by North Korea of Mr. Kim's impending appointment.

In a further sign that Mr. Kim was in firm control, he reshuffled the country's top military leadership, South Korean officials said.

The army chief of staff, General Choe Gwang, was promoted to the rank of marshal and named defense minister.

General Choe, 77, replaces Marshal O Jin U, who died in February. General Choe belongs to the "first-generation revolutionary elite," which helped build a personality cult around the late North Korean leader.

Also promoted was Li Ul Sul, 75, to marshal. He also was retained as a member of the powerful Military Commission. (Reuters, AP)

France Reports 2d Test Released No Radiation

Reuters

PARIS — France said Monday that its recent test of a nuclear warhead with the explosive force of just below 11,000 tons of TNT had not raised radiation levels at its Fangataufa atoll testing site in the South Pacific.

Measurements taken at the site in French Polynesia found the same low "background" level of radioactivity after the Oct. 1 test as before the blast, France's European affairs minister, Michel Barnier, wrote to the European Union environment commissioner, Rudi Bjarregard.

The level of radioactivity on the atoll corresponds to weak natural background levels, Mr. Barnier wrote. A copy of the letter was released by the French Foreign Ministry.

The commissioner has complained that France prevented European experts from visiting Fangataufa and refused to turn over data on radioactivity in the water and marine life around the Mururoa atoll, where the first French nuclear test in the current series took place on Sept. 5.

Mr. Barnier wrote that commission experts were allowed to visit more sites than had initially been planned and were given all the data they sought.

The environmental group Greenpeace said it had obtained a leaked copy of a report by commission experts. Greenpeace said the report "confirms that France is acting in breach of the health and safety provisions of the Euratom Treaty."



Fire fighters spraying water Monday over the smoking ruins of the 'Maori Cathedral' near Wellington.

Fire Destroys the 'Maori Cathedral' Police Suspect Arson at 144-Year-Old Building

Agence France-Presse

WELLINGTON — A 144-year-old church built by a Maori chief who conquered large areas of New Zealand has been destroyed in a fire that the police suspect was arson.

The destruction early Saturday of the "Maori Cathedral" — as the Anglican Rangiatea Church in Otaki, north of Wellington, is known — triggered a weekend of mourning by hundreds of Maori.

A detective constable, Tim Smith, said Monday that graffiti had been sprayed on the church, but it is not known what was said since the graffiti were destroyed in the blaze.

Last month a group of Maori burned down a school building in a dispute over land occupation.

The church was built by Te Rauparaha, a Ngati Toa chief and one of the greatest Maori fighting generals. Born around

1768, he controlled large areas of the lower half of North Island and most of South Island. He is routinely remembered on the rugby field when the All Blacks, New Zealand's national team, perform Te Rauparaha's *haka*, or war dance.

At the age of 78, and although he was never baptized a Christian, Te Rauparaha decided to build the church. Some earth brought centuries before from Rarotonga, west of Tahiti, by Polynesian voyagers, was buried at the site. The church was named Rangiatea, the Abode of the Absolute, after a worship site in Rarotonga.

Dozens of great trees were hauled down to the coast by Maori and shaped while immigrant sailors and whalers raised the beams. The roof beams were doctored without nails and painted in a hammerhead shark scroll, bringing together Maori and Christian design.

The building was completed in 1851, two years after Te Rauparaha died. He was

buried 45 meters (150 feet) from the door of the church, but the night after the burial 100 chiefs moved Te Rauparaha's body to a nearby island and put it in a cave.

Today only a few of the Ngati Toa know where the body rests. The grave remains at Otaki with a European-style monument and headstone.

At an emotional service Sunday after the fire, Bishop Muru Walters proclaimed: "We will never see Rangiatea again. Never, never, never again. The people from this place are still weeping."

The head of the Rangiatea vestry committee, Manahera Baker, told Radio New Zealand that Maori must think positively.

"God has spoken and it's for the community now to heed the message and read the signs," he said. "Should it be that there are persons involved in arson, we need to look at it in a Christian sense. The possibility of forgiving needs to be paramount in the minds of all people."

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Briton Who Negotiated Handover Assails Patten

The Associated Press

HONG KONG — The countdown to Chinese rule was marked Monday by a verbal skirmish between its British governor and the British diplomat who helped negotiate the colony's return to Chinese sovereignty.

Sir Percy Cradock dubbed Chris Patten the "incredible shrinking governor," whose battle with China for democracy in Hong Kong had condemned him to the sidelines.

"Pretty tired old stuff," retorted Mr. Patten's spokesman, Kerry McGlynn, calling Sir Percy "a retired official completely out of touch with modern Hong Kong thinking."

Hong Kong people have grown familiar with periodic clashes between Mr. Patten, a populist politician, and Sir Percy, the China scholar and Foreign Office diplomat who

protagonists vie to imprint their viewpoints on the minds of the people of Hong Kong.

The sense of drama has been heightened by the Sept. 17 legislative election, Hong Kong's last under British rule, and the Chinese-British agreement last week on measures to streamline the transfer of sovereignty.

The election, which handed critics of China a sweeping victory, took place in the shadow of Beijing's renewed threat to disband the legislature. The subsequent London agreement is being attacked for failing to tackle China's threat to the legislature.

Hong Kong people have grown familiar with periodic clashes between Mr. Patten, a populist politician, and Sir Percy, the China scholar and Foreign Office diplomat who

served as ambassador to Beijing and who negotiated the 1984 agreement to return Hong Kong to China.

Sir Percy believes his negotiations with China got the best deal possible for securing Hong Kong's democratic freedoms.

Mr. Patten believes not enough was achieved, and since arriving in 1992, he has introduced measures to broaden democracy.

Sir Percy has long been a critic of Mr. Patten's policies. His latest salvo came Monday in an interview from London with Hong Kong radio.

Mr. Patten, he said, had inflicted "a good deal of damage" because it was his changes to the electoral system that provoked China's pledge to dismantle Hong Kong's elected institutions.

The result, he said, would be "less democracy, less rule of law" for Hong Kong after 1997.

Noting that Mr. Patten was absent from the talks in London that produced a deal last week, Sir Percy suggested that the governor had written himself out of the script because "he's made himself so obnoxious to the Chinese."

"You have now the spectacle of the incredible shrinking governor," he said.

Mr. Patten denied he was sidelined, and Foreign Secretary Malcolm Rifkind backed him up, writing in Hong Kong's Sunday Morning Post that he had worked closely with Mr. Patten on the contents of the deal last week with China.

Mr. Patten's chance to reassert his authority comes

Wednesday, when he delivers his annual address to the legislature, followed by a blitz of question-and-answer sessions with the public.

But the adulation that greeted

the governor has given way to criticism over unemployment and chronic housing shortages in the crowded colony of 6 million people.

Recent polls say Mr. Patten's popularity has dropped below 50 percent for the first time.

Last year, when the governor was pushing his plan to extend democracy in the colony, Mr. Patten said of his Foreign Office critics: "Some old hands are very, very suspicious of politicians who go around asserting their attachment to values, rather than expedience, but I don't think it is always expedient to ignore values."

Filipino Maid Testifies in Private, And Judge Adjourns Her Appeal

The Associated Press

AL AIN, United Arab Emirates — A judge met behind closed doors for more than an hour Monday with a 16-year-old Filipino maid sentenced to death for murdering her employer, then adjourned her appeal to Oct. 30.

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EUROPE

Claes Urged Anew To Quit at NATO

Belgian Opposition Bloc Says Scandals Sap His Authority

By Tom Buerkle
International Herald Tribune

BRUSSELS — The secretary-general of NATO, Willy Claes, faced renewed calls on Monday for his resignation after Belgium's highest court urged Parliament to lift his immunity so he could be charged with corruption in two defense scandals.

Mr. Claes, who proclaimed himself "totally innocent" after the court's request was leaked to the Belgian media on Friday, refused to answer questions about the affair Monday when he saw reporters at a meeting in Italy of the North Atlantic Assembly, a group of parliamentarians from the 16 NATO members.

But Belgium's chief opposition party, the Dutch-speaking Liberal Party, said Mr. Claes no longer had the moral authority to lead the Western alliance and should resign.

Several European newspapers also published editorials sharply critical of Mr. Claes's stance.

"A secretary-general whom justice authorities want to prosecute is not acceptable for NATO," wrote the *Standard-Zeitung* in Germany. "Now it has no other choice but to remove Claes."

A special parliamentary committee was scheduled to meet on Tuesday to begin reviewing the request from the Cour de Cassation. The high court investigated allegations that it's Agusta and France's Das-

sault contractors made gifts to Belgium's Socialist parties in exchange for defense contracts in 1988 and 1989.

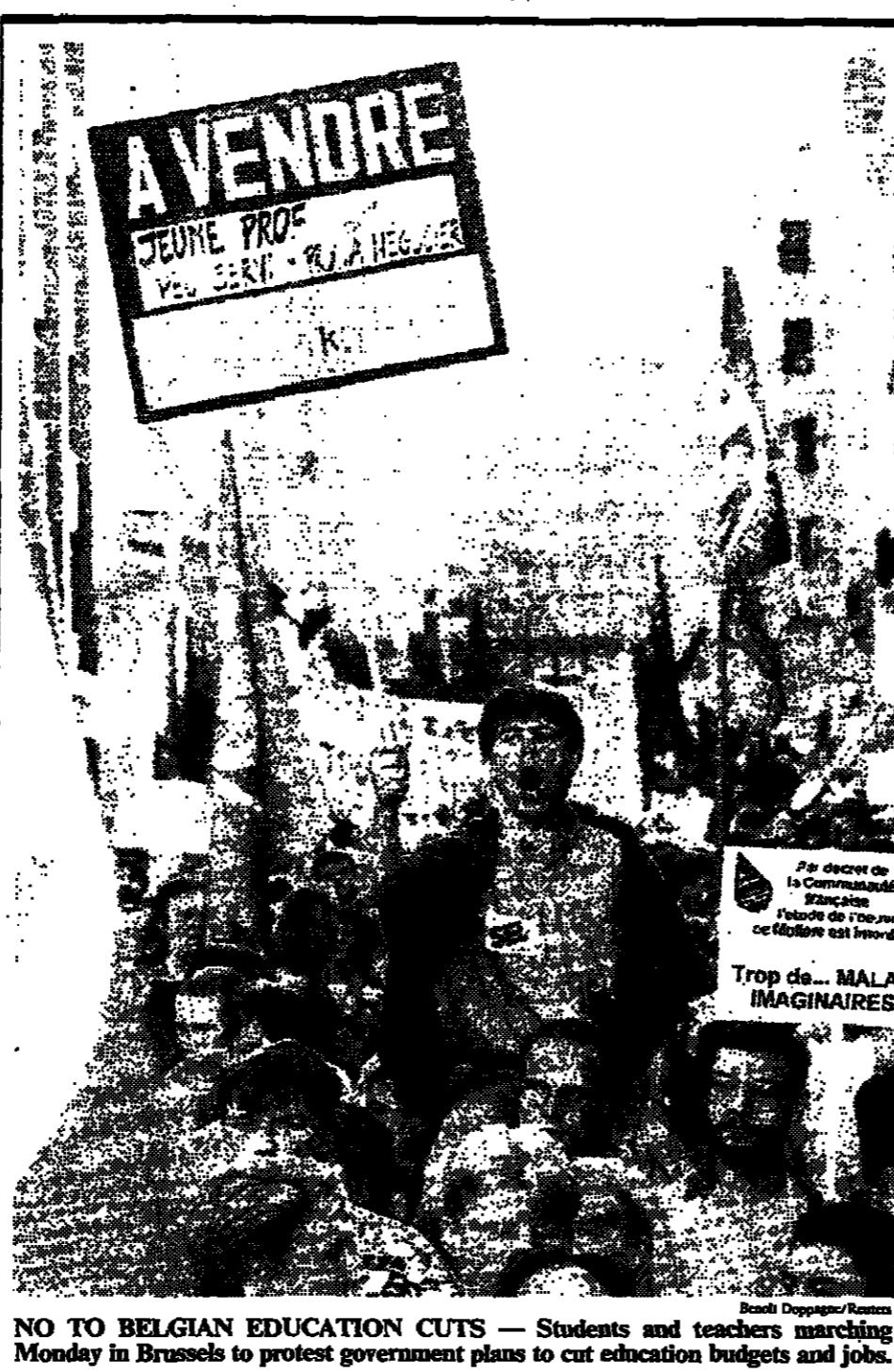
Mr. Claes, then a senior member of the Dutch-speaking Socialist Party, was Belgium's economics minister at the time and played a key role in awarding the contracts.

A senior aide to Raymond Langendries, who is president of the committee and the lower house of Parliament, said the committee could hear Mr. Claes later this week and hoped to send a recommendation to the full chamber in two to three weeks.

Sources at NATO said the alliance was content for now to wait and see what Parliament decides, but they indicated that an indictment would almost certainly force Mr. Claes to step down. A more delicate problem for the alliance would occur if Parliament postponed the request and calls for further investigations, they said.

The scandal comes at an awkward time for the alliance, which is working to draw up plans to supervise a peace agreement in Bosnia with a force of up to 50,000 soldiers.

The Belgian high court also asked Parliament to lift the immunity of Guy Coeme, a member of the French-speaking Socialist Party who resigned as defense minister over Agusta allegations in 1994. Mr. Coeme restated his innocence during the weekend and denied the leak of the court request as scandalous.



NO TO BELGIAN EDUCATION CUTS — Students and teachers marching Monday in Brussels to protest government plans to cut education budgets and jobs.

Rail Travel Hit as General Strike Begins in France

Compiled by Our Staff From Dispatches

PARIS — French state-owned railways began striking Monday night in the first phase of a general strike that is expected to unite more than 5 million public-sector workers.

From trains, subways and buses to post offices, schools and hospitals, France's vital functions were being reduced or suspended for 24 hours beginning Monday night.

On Tuesday, the trade unions will stage marches through Paris and the country's main cities, adding to the traffic jams caused by lack of transport.

The general strike, expected to be France's worst since 1986, was called by public-sector unions to protest a pay freeze announced by the government.

It marks the first major labor challenge to Prime Minister Alain Juppé, who came to power in May with promises to cut France's huge deficit and 11.5 percent unemployment rate.

Initially, Tuesday's strike was only to include bureaucrats and civil servants, but employees of such state-owned companies as Air France and Renault, the car maker, announced they would join the action.

Minimum service will be guaranteed in some sectors, including hospitals.

The French railroad company, SNCF, said Monday that most if not all international trains scheduled to leave Paris on Tuesday would be canceled, as would be 75 percent of domestic trains. SNCF said that non-French trains passing through the country would not be affected.

The Spanish state railway announced, however, that all Spanish trains heading out of the Iberian Peninsula had been canceled for 36 hours beginning Monday evening because of the strike. Spanish trains heading to Paris, or those that have to cross France, were canceled from 1900 GMT Monday until 0700 GMT Wednesday.

In France, the state-owned airlines, Air France and Air Inter, said their flights would operate normally. Electricity and gas workers also will strike, but no power cuts were expected.

Subway trains and buses will be limited Tuesday.

People forced to drive to work may be consulted by Monday's announcement by the police that they will not ticket parking offenders Tuesday.

Unions announced the strike in September after talks with the government failed to gain a reduction in the workweek along with a hiring increase to make up for the announced pay freeze for 1996.

The government says nearly 40 percent of its budget goes into salaries in the public sector, while the unions retort that they are being made scapegoats for France's economic crisis.

Government employees alone, not including state-owned industries, number about 4.1 million.

(AP, AFP)

Investigators Get New Evidence in Juppé Apartment Affair

Reuters

PARIS — A Paris taxpayers' association produced Monday what it said was new evidence that Prime Minister Alain Juppé may have broken the law in leasing city-owned apartments for himself and his son at below market rents.

The Association for the Defense of Parisian Taxpayers said it had sent the public prosecutor a document showing that Mr. Juppé supervised rents as assistant minister in charge of finance from 1989 to early 1993. The group has filed a civil lawsuit alleging that Mr. Juppé acted illegally in setting his own rent.

The evidence presented Monday said the 1989 docu-

ment contradicted a statement to the prosecutor by the mayor of Paris, Jean Tiberi, reported in the French newspaper *Le Figaro* on Saturday, that Mr. Juppé did not have the power of decision over the city's private housing "domain."

The new evidence follows a document released last week by the association that showed that Mr. Juppé had the authority to sign for the mayor of Paris on budgetary and financial matters.

Armand Montebourg, a lawyer for the group, said the new evidence shows that the Official Bulletin of the City of Paris in August 1989 announced the appointment of René Beguet as the official "in charge of the domain, of concessions and the trades union center."

The same document said Mr. Beguet was "under the authority" of the assistant mayor for budget and finances; at that time it was Mr. Juppé. The appointment was signed by Jacques Chirac, the mayor at the time, who was elected president in May this year.

Bruno Cotte, a prosecutor, is investigating whether there are grounds to file charges against Mr. Juppé involving alleged conflict of interest over his own lease of a city-owned apartment and his 1993 intervention to cut the rent on his son's city-owned apartment. The inquiry does not necessarily lead to prosecution.

Mr. Juppé said Friday that he and his children would soon move out of their apartments.

Lord Home, Former Prime Minister, Dies at 92

Compiled by Our Staff From Dispatches

LONDON — Lord Home, 92, the former British prime minister better known as Sir Alec Douglas-Home, died Monday.

Lord Home, whose political career stretched from the rise of the Nazis in Germany through the end of the Cold War, was the last aristocrat to lead the Conservative Party.

He died surrounded by his family at his estate in Berwickshire, Scotland, near the English border, said his son and heir, David Douglas-Home. The cause of death was not announced.

Lord Home (pronounced Hume) was prime minister for a year from October 1963. He was the last Conservative Party leader and prime minister to be chosen through a long-hallowed and secretive process of consulta-

tion among the party elders. He was later given a life peerage.

"It was an enormous shock," he later recalled. "It had never occurred to me that I might be prime minister."

As a politician, he was best known as foreign secretary and Commonwealth secretary, jobs he held for a total of 13 years between 1955 and 1974. He presided over the dissolution of the British Empire and shepherded many colonies to independence.

He gave up his ancient peerage — he was the 14th Earl of Home — to take a seat in the House of Commons to be prime minister. He was the last Conservative Party leader and prime minister to be chosen through a long-hallowed and secretive process of consulta-

tion among the party elders. He was later given a life peerage.

Prime Minister John Major described Lord Home as "underestimated and often underestimated."

"His wealth of knowledge, his keen intellect and his deep patriotism were all combined in a lifetime of public service," Mr. Major said. (AP, Reuters)

John Cairncross, 82, 'Fifth Man' in Spy Ring

LONDON — John Cairncross, 82, the fifth and last member of the infamous Cambridge spy ring that passed secrets to the Soviet Union, has died, friends said Monday.

Mr. Cairncross, a high-ranking civil servant, was named as the "Fifth Man" in the Cambridge University ring of elite young Britons who embraced

communism in the late 1930s and spied for the Soviet Union for more than 30 years.

Three of the others — Guy Burgess, Harold (Kim) Philby and Donald Maclean — died in Moscow after being exposed as spies in the 1960s. The fourth, Sir Anthony Blunt, who used his position of professor at Cambridge to recruit students and later rose to become Queen Elizabeth's adviser on art, died in 1983. (Reuters)

Kukrit Pramoj Dies at 84, Former Thai Prime Minister

BANGKOK — A former Thai prime minister, Kukrit Pramoj, 84, died here Monday after a long illness, hospital officials said.

Mr. Kukrit, who served as prime minister from March 1975 until April 1976, had been

in hospital in critical condition for several months, on an artificial respirator. He succumbed to heart disease, high blood pressure and diabetes, officials said. (Agence France-Presse)

Marvin L. Arrowsmith, 82, who covered Dwight Eisenhower's White House and directed The Associated Press's Washington coverage in the days of Vietnam protest and Watergate scandal, died of a lung disease Thursday in Washington. (AP)

Christopher Keene, 48, a conductor and arts administrator and general director of the New York City Opera, died Sunday of lymphoma arising from AIDS. (NYT)

Max Falk, 91, a former chief advertising executive of The New York Times, died in New York on Friday. (NYT)

Gene Work Brings Trio Nobel Prize in Medicine

The Associated Press

STOCKHOLM — Two Americans and a German were awarded the Nobel Prize in Medicine on Monday for their work on gene studies that help to explain birth defects and miscarriages.

They were chosen for discoveries about how genes control early embryonic development, according to the medicine prize committee at Sweden's Karolinska Institute.

The recipients are Edward B. Lewis, 77, at California Institute of Technology in Pasadena, California; Eric F. Wieschaus, 48, of Princeton University, and Christiane Nüsslein-Volhard, 52, at the Max-Planck Institute for Developmental Biology in Tübingen, Germany.

Together, these three scientists have achieved a breakthrough that will help explain congenital malformations in man, the citation said.

"They let the genius out of the bottle," said a member of the award committee member, Björn Vennström, a professor at the Karolinska Institute. "Their research has stimulated other research in many other fields."

Ms. Nüsslein-Volhard, director of developmental biology at the Max-Planck Institute, was the first German woman to win a Nobel science prize.

The scientists used the fruit fly, well-known to generations of biology students, as the basis for their experiments. Ms. Nüsslein-Volhard and Mr. Wieschaus identified a number of genes that are key in determining the body plan and formation of body segments.

Mr. Lewis, who worked independently, investigated how genes could control development of individual body segments into specialized organs.

In people, flaws in such genes are probably responsible for some early miscarriages and some of the approximately 40 percent of birth defects for which no cause is known, the Nobel citation said.

Mr. Vennström said the work had helped give scientists and doctors a better understanding of how and why the body aborts embryos — a common occurrence for first-time mothers. Only about six of 20 fertilizations lead to children, and the abundance of miscarriages long has been an enigma, he said.

The prize this year is worth \$1 million. The winners will share it and be honored on Dec. 10 at a ceremony in Stockholm with the other laureates this year.

Last year's medicine prize was shared by two Americans, Alfred Gilman and Martin Rodbell, for their discovery of G-proteins — elements central to understanding diseased cells.

The Nobel Memorial Prize in Economic Science will be announced Tuesday, the physics and chemistry prizes Wednesday and the Peace Prize on Friday. The literature winner, Irish poet Seamus Heaney, was announced last Thursday.

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Herald Tribune

INTERNATIONAL

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Old Versus Young?

The poverty and income figures that the U.S. Census Bureau published last week should be posted somewhere in Congress, and both parties should be made to respond to them. The figures reflect a grim reality that it seems to us both parties, on all issues, continue to avoid.

1. The bureau reported that the overall poverty rate last year was 14.5 percent but of course it is not that across the society. As in other recent years, the rate for children, 21.8 percent, was much higher than for the population as a whole, while the rate for the elderly, 11.7 percent, was well below. You might think that in cutting the budget Congress would be most anxious to protect the programs benefiting needy children; that would be the rational thing to do. You would be wrong, of course.

The center of the debate in Congress — the focal point of the Democratic attack on the Republican plan to balance the budget — is not Medicaid, which provides health care for the neediest fourth of the children in the country, including all of those on the census list. It is Medicare, the health care program for the elderly. That is the case even though a lot of Republicans themselves will tell you it is Medicaid, not Medicare, that they have proposed to cut the hardest and more than it can probably withstand. The Democrats are doing what they are doing because Medicare is where the votes are. The president and a majority of Senate Democrats have meanwhile signed off on a welfare bill that would also likely harm poor children. They did that for political reasons, too. Is the goal to get the poverty rate for children up?

2. The bureau reports that the highest-income fifth of all households now has 49.1 percent of all income. That is a

record share. The figure has gone up in all but one of the last 20 years; there has been a huge increase in income inequality over that span. The Republicans would nonetheless include as part of the budget plan a large tax cut whose principal beneficiaries would be these same households. It would also make the deficit problem worse, require larger spending cuts than otherwise to meet the budget goals and all the rest. You can ask the same kind of question. What is the purpose of a tax cut that would add to what is already so disturbing a trend?

3. Critics say the census figures exaggerate poverty (and thus the need to do more to combat it) because they are based on cash income only and take no account of the value of the noncash or in-kind benefits (Medicaid, food stamps, housing assistance) that the poor have increasingly received in recent years. It is a fair criticism (although there are other opposite effects to make low-income people look better off than in fact they are), and the bureau has taken to publishing alternative tables in which the value of the in-kind benefits is included. The pattern, however, is essentially the same whether you count the in-kind benefits or not.

The poverty rate, which went down in the 1960s and 1970s, has since begun to creep back up; the economy does not seem to do as much for people at lower income levels as it used to. And now what is Congress doing anyway but cutting precisely the in-kind benefits that are offered up as a reason not to worry about the official figures? They are supposed to be the pillow. The pillow itself is being reduced. But you still don't have to worry. Just look the other way.

—THE WASHINGTON POST.

Easing Up on Cuba

He is already taking flak from Republicans on this highly politicized subject, but President Bill Clinton was right to ease travel and other restrictions that have hindered communications between Cubans and Americans for decades. Far from signaling capitulation to Fidel Castro, the new rules are a sign of concern for the people of that country and an invitation to a fuller exchange of views between Cubans and Americans that can only strengthen America's hand in the continuing struggle to promote reform in Cuba.

The new executive order, issued on Friday, will facilitate the work of American relief and human rights groups, allow Cuban-Americans to assist their families still on the island and promote the exchange of information between citizens of the two countries. Not a single one of these steps will strengthen the dictatorship or even assist in the rehabilitation of that country's crumbling economy.

General tourism will still be prohibited, but the executive order will encourage more cultural and academic exchanges. In addition, Cuban-Americans will be automatically granted a general license to travel to Cuba once a year, instead of having to apply for and justify each visit. They are already allowed to send money

—THE WASHINGTON POST.

Equal Opportunity

In a widely anticipated legal showdown this Tuesday, the Supreme Court will hear arguments in a gay rights case that tests the high court's commitment to ensuring fair access to the political process for all Americans. At issue is the constitutionality of an amendment to the Colorado Constitution that repealed ordinances in three cities protecting homosexuals against discrimination, and barred the state and every local jurisdiction in Colorado from adopting or enforcing any such provisions in the future.

This punitive measure, similar to anti-gay ballot initiatives pressed by the Christian right in other states, was approved by Colorado voters in 1992, after a clever if mean-spirited campaign by proponents that depicted basic anti-bias protections in housing and employment as unjustified "special rights."

Cold can be expected to echo arguments in the state's brief which seek to obscure the bigotry that lies behind the amendment. It will try to establish that the amendment has a legitimate governmental purpose in protecting morality, in putting a divisive public issue to rest and in conserving resources that might otherwise be spent defending homosexuals in order to enforce other civil rights laws.

But there is no masking the anti-gay fervor behind the measure, or the offense to the constitutional principle of equal protection when a defined group of citizens, in this case homosexuals, is denied the right to participate equally and fully in the political process. While all other Col-

—THE NEW YORK TIMES.

A Flawed Peace Agreement That Has to Be Backed

By Peter Rodman

WASHINGTON — The Clinton administration, after three years of almost willful incoherence and ineffectuality in Bosnia, has cobbled together a precarious peace agreement. Now it proposes to send up to 25,000 U.S. troops to Bosnia to help police the accord, and it seeks the approval or acquiescence of a Congress that has been deeply skeptical of its policy.

The administration's predicament is a direct result of the contradictory policy it has followed since Secretary of State Warren Christopher's seminal pronouncement on Feb. 10, 1993, promising U.S. troops to help monitor an eventual agreement while committing the United States to no decisive action in the interim that would help ensure a decent outcome. This is the promise that the president now asks Congress to redeem.

The present outcome rewards "ethnic cleansing" and leaves Bosnia vulnerable to a gradual process of de facto partition. It is morally malodorous, and its long-term stability can be questioned.

But what is the Republicans' choice? Prolonging the Bosnia conflict has done serious harm to significant U.S. strategic interests. Disputes among the NATO allies have embittered alliance relations, and Russian obstreperousness is complicating the important goal of NATO enlargement in Central Europe.

The agreement patched together by Assistant Secretary of State Richard Holbrooke reflects an uneasy balance of forces that was redressed in recent months by Muslim and Croatian success in rolling back Serbian gains. The deal also reflects a more robust American diplomacy and use of military power and a certain exhaustion of all the other parties.

In the final analysis, it is the best hope we have had or are likely to have in years to put this Balkan horror to rest, at least for a period. It is possible to cross one's fingers and hold one's nose at the same time, now is the moment.

The Republicans' response will inevitably be portrayed as a litmus test of whether they are isolationist or not. It is an unfair test, since the weaknesses of the agreement and the policy that produced it are evident. But the legislative branch has no ability to impose and execute a different policy on a sustained basis.

The choice the Republicans face is whether to bless a U.S. troop deployment in a risky environment or to bear responsibility for undermining an agreement that may be the best chance now to end the killing.

Bob Dole and nine of his Republican Senate colleagues sent a tough letter to President Bill Clinton on Sept. 25 complaining about the lack of congressional consultation and asking for answers to a series of detailed questions about the administration's deployment plans. Only then did the president convene a meeting with bipartisan congressional leaders. Congress is entitled to fuller consultation and candid answers to these questions.

In the end, torpedoing the peace accord would be a great mistake. America's NATO allies, who have taken casualties on the ground, would see refusal to keep a promise as another betrayal. Damage to the alliance would be severe. But Congress can insist on conditions that reduce our risks:

First, explicit congressional endorsement should be sought for the deployment. The Haiti precedent should not be followed. The risks are too great, for the

country as well as the president, without political safety net.

There should be no UN role in the chain of command. NATO yes, United Nations no. And any Russian troops or troops from other non-NATO countries should not be in a position to dominate the post-settlement environment or complicate NATO's freedom of action.

The rules of engagement for U.S. forces should allow them a role robust enough that they can deter and defeat any sources of trouble.

As for the size of the U.S. contingent, the critics' temptation may be to reduce it to a token contribution. But this could, perhaps, add to the risks. If any force is sent

at all, it should be large enough to defend itself and be a formidable presence.

There can be an escape clause that the United States has the right to pull out if the war heats up again and "peacekeeping" becomes untenable. And there can be an understanding with allies that if the situation stabilizes, the U.S. role may be gradually taken over by others.

If the legislation has a firm limit, some wiggle room should be allowed. Perhaps a one-year mandate, renewable at six-month intervals subject to congressional consultations. The experience with some previous mandatory deadlines imposed by Democrats in Congress (Vietnam, Lebanon) is terrible; they can undermine the credibility and deterrent effect of U.S. presence. This president — or his successor — will need some flexibility.

Republicans have a well-earned reputation for seriousness in national security matters. Their decision should not be just a response to public nervousness about Bosnia or to the isolationist undercurrent in the country. The American people also want their country to be a leader, to keep its word, and not to look scared before the world.

It is in the U.S. strategic interest that this agreement, with all its flaws, be given the maximum chance of working, and that America not be seen as undermining it.

The writer, a former White House and State Department official in Republican administrations, is director of national security programs at the Nixon Center for Peace and Freedom. He contributed this comment to The Washington Post.

Don't Send Occupation Forces Into Bosnia

By William Safire

AKERSFIELD, California — Peace will not come to the Balkans if the result of inserting outside peacekeepers. Peace will come only when Serbs, Croats and Muslims strike a balance of power that makes aggression too costly.

After being jerked around for more than two years by the British and French, Bill Clinton was forced by Congress to exert NATO leadership. Primarily as a result of the belated application of airpower against Serbian forces, the tide of war turned, making possible a serious cease-fire.

Now the U.S. president is being jerked around again. Last year, America's European allies elicited a promise from him to put in 25,000 U.S. ground troops to police a peace agreement. But we have since learned that the only time progress was made in Bosnia was after peacekeepers were taken out. Putting outside troops in is a step backward into the morass that existed before the air strikes.

Clintonites say he has "given our word." But can a president, without public debate or congressional support, and with no emergency, commit substantial U.S. forces to open-ended police duty anywhere? No. Secretary of State Warren

whittled down borders. They are mainly Bosnian Muslims, with some indigenous Croats. What those troops need is defensive arms, the training to use those arms, and the sustained air cover to give them the time to get that training.

Here is where Mr. Clinton has been snookered again by Europeans who want Muslim state on their continent. They keep claiming that lifting the embargo on arms for Bosnian self-defense would prolong the war. Time has demonstrated how mistaken that defeatist European story is. One-sided arming led to war; only by equipping Muslim troops with comparable firepower can a balance be struck that could lead to peace.

The Serbs attacked because they thought they could conquer; they will not attack again if they think they will be beaten back. Nor will a well-armed Bosnia become irredentist if Muslims know that Western airpower would then turn against them.

What is a workable interventionist strategy for Congress to consider?

1. NATO's air arm should maintain control of the skies over the original Bosnia, ready to retaliate disproportionately to violations of the peace agreement. Airpower was underfunded in war-making; let's not underfund it in peacekeeping.

2. NATO nations and Russia should manipulate economic sanctions and incentives to induce Serbia and Croatia to cooperate with what is left of Bosnia.

3. The arms embargo keeping Bosnia weak should be lifted forthwith. Mr. Clinton should lead the West to join nations like Pakistan, Turkey and Saudi Arabia to finance purchase of anti-tank, anti-aircraft and intelligence-communications equipment.

4. A NATO team, including Americans, should set up training centers in Croatia to ready Bosnian troops for self-defense. An imbalance of power in the Balkans always leads to war. Defense Secretary William Perry's expressed expectation that Serbs will give up their arms to enable Muslims to achieve a balance of power is ludicrous.

Congress should restrain the president from blundering into Bosnia's occupation. Instead, he should use the weapon that works — the credible threat of harsh punishment from the air — to enforce a peace among military equals.

The New York Times.

America Now Has Heavy Responsibilities

THE dramatic turn toward peace in Bosnia has one fundamental cause: the reassertion of American leadership in Europe. With leadership goes responsibility. America has heavy responsibilities now, diplomatic and military.

The best that can probably be achieved is seeing to it that Bosnian Serb areas do not become attached to Serbia proper.

One multiethnic symbol can and must be preserved: Sarajevo. The Bosnian Serb leader, Radovan Karadzic, has said he wants the city divided — literally, by walls. For the United States to let that happen would mark the negotiation as a sellout to terrorism.

Second, America has a responsibility to support whatever Bosnian state emerges. That means supplying part of the NATO force that will enforce the peace, and arming and training the Bosnian army.

Third, America has a heavy responsibility to rein in the excesses of Croatian President Franjo Tudjman. For it is clear now that his army, at his command, has

done terrible things in the Krajina region since defeating the Serbian forces there.

Finally, the United States must maintain its commitment to the International War Crimes Tribunal for the Former Yugoslavia. The budget troubles of the United Nations are threatening to hobble the tribunal at this crucial moment, and the Clinton administration cannot let that happen.

We know even more now about the atrocities carried out in the name of ethnic purity. Mass graves of Muslims slaughtered by the Bosnian Serbs have been found. And there is increasing evidence that Ratko Mladic, the Bosnian Serb commander, ordered the execution of thousands of civilians at Srebrenica.

It is hard to imagine a peaceful future for Bosnia while General Mladic and Mr. Karadzic lead the Serbian region. If the world pursues their atrocities, the Bosnian Serbs may themselves come to understand what these men have done.

—Anthony Lewis, commenting in The New York Times.

The Solution for the Spratly Islands Ought to Look Like This

By Mark J. Valencia, Jon M. Van Dyke and Noel Ludwig

HONOLULU — China's pledge in July, at the annual meeting of the Association of South East Asian Nations, that it would negotiate disputes over ownership of the Spratly Islands in the South China Sea according to international law, and discuss the issue with ASEAN as a group, has set the stage for a solution.

The six claimants — China, Taiwan, Vietnam, Malaysia, the Philippines and Brunei — start fresh talks with Indonesian officials this Tuesday to try to ease renewed tension over the disputed area, a potentially rich zone for undersea oil and natural gas.

What does international law say about possible solutions? The main guidance is provided by previous international agreements, rulings by the International Court of Justice, and the 1982 United Nations Convention on the Law of the Sea. Beijing has said it will use the convention as a basis for negotiations, although of the six claimants only the Philippines and Vietnam have actually ratified it.

The precedents in international law suggest that all the claims to sovereignty over the Spratly Islands — a group of tiny islets, sand cays and reefs scattered widely over the southern section of the South China Sea — are weak.

The historic record supporting the claims of China, Taiwan and Vietnam is incomplete and intermittent, and would probably be unconvincing to the International Court of Justice.

None of the claims to the Spratly Islands, including the more recent claims of Malaysia, the Philippines and Brunei, is supported by the requisite continuous and effective control, administration and governance.

Even if some of the sovereignty claims were to prevail, these tiny outcrops in the sea do not appear to be legally qualified to generate surrounding exclusive economic zones out to 200 nautical miles, or the even more extensive continental shelves. According to the Law of the Sea Convention, rocks that cannot sustain human habitation or an economic life of their own cannot be the basis for such zones; nor can artificial islands.

Only some 26 features in the Spratly chain are above water at high tide. The largest has a land area of less than half a square kilometer, and only six others are bigger than 0.1 square kilometer. None of them has ever sustained a permanent population. Vietnam has already taken the position that these islets should not generate extended maritime zones, and other countries in the region seem to be moving toward this view.

Even if the Spratly Islands were deemed to be the source of extended zones, they would not have equal weight to do so in relation to the larger land masses that surround the South China Sea. The International Court of Justice and other tribunals have consistently ruled that small islands do not play an equal role in determining maritime boundaries, and sometimes are ignored altogether.

For example, Vietnam and Malaysia have continental shelf claims extending well into the Spratly area, and these claims would be based on the islets. Sovereignty over the islets themselves might be allocated based on the sector in which they are situated, or might eventually fall to the present occupants. But in either case, sovereignty would be limited because the islets would generate only a 500-meter safety zone or up to 12 nautical miles. The Spratly would be demilitarized and open to access for peaceful purposes by other claimants.

If the claimants could not agree to an allocation scheme, the UN Law of the Sea Convention requires them to establish a provisional arrangement. The convention also urges cooperation in semi-enclosed seas as well as sharing of the resources in areas beyond 200-nautical-mile exclusive economic zones.

These principles taken together favor a dramatically different option — multilateral joint development of an agreed area.

One logical approach would be for China, Taiwan, Vietnam, Malaysia, the Philippines and Brunei to set aside their claims for now and establish a multilateral Spratly Management Authority.

The authority would administer the contested area, which could be defined in several possible ways. Our preferred option would be to define it as the area beyond a line halfway between the coastline of the South China Sea and the disputed features in the Spratly.

The claimant states could be given weighted voting shares in a governing council and financial responsibility in the authority in rough relationship either to their coastline lengths or the original extent of their claims. In either case, China-Taiwan would have a substantial portion of shares, benefits and costs.

Decisions would normally be made by consensus, but when

be developed, the claimants would be working together to explore and develop oil and gas, manage fisheries and maintain environmental quality. Such cooperation would greatly reduce the chances of miscalculation and dangerous confrontation.

Other powers not involved in the Spratly dispute, including the United States and Japan, would be highly supportive because safety and freedom of navigation would be assured through the South China Sea, which is an important maritime highway for naval and commercial shipping of many nations.

Mr. Valencia is a senior fellow in the program on international economics and politics at the East-West Center in Hawaii. Mr. Van Dyke and Mr. Ludwig are specialists on international law and resources at the University of Hawaii. They contributed this comment to the International Herald Tribune.

If a cooperative solution could

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

OPINION/LETTERS

Condemnation of Terror Must Be Plainly Spoken

By Stephen S. Rosenfeld

WASHINGTON — I asked Yasser Arafat "a question about language":

"We hear you sometimes using words like *jihad* and 'martyr,' and some people hear those words and they think you're endorsing terrorism in some way. What do those words mean to you?"

This is the First Question. It is the one about Palestinian intent and confidence on which all the other practical questions rest, the one that, if not answered acceptably, drains the heart out of the Israeli Labor government's peace constituency and hands the hard-line Likud option a ticket back to power.

Mr. Arafat answered by distinguishing the prophet Mohammed's "lesser *jihad*" of battle from his "major *jihad*" of "the reconstruction of mankind."

"When I use these words," he said, "I'm not really addressing you. I'm addressing those who've been misled and deceived by those religious terminologies. And they are using these people to conduct terrorism. ... And by using this terminology, I am winning the Palestinian people, the Palestinian streets, and I am listening and reducing those who are opposing the peace process."

Jihad is not struggle but reconstruction. So Mr. Arafat is not, for Arab audiences, winking at the terrorism he otherwise denies. He's preaching peace, and drying up the sea in which the terrorist fish swim. Is that not clear?

No, it's not clear. It falls somewhere between unproven and dubious. And I speak as an advocate for the Arafat-Rabin effort. Advocates have a reason not to open themselves to charges of being soft on terrorism. The reason is to protect a peace process that others seek to blunt precisely by the claim that the process itself fosters terrorism.

There may be a bit of truth to this claim: Nervousness about change can certainly prompt violence. But there is likely much more truth in the response that it is the existing situation that triggers violence — a status quo of occupation, discontent and hopelessness. This is why, for Israeli as well as Palestinian interests, relief must come.

In this dispute as in many others, the issue of motive and intent is never subject to easy disposition.

Mr. Arafat has a record ranging from the outright defense of terrorism to the ambiguous rejection of it.

Increasingly, his security forces have worked on their own against terrorists and cooperated with Israelis. But at best he has shown only a tactical appreciation of Israel's apprehensions about personal security, his purpose being to achieve political goals of his own. He has failed to summon and sustain an unequivocal moral outrage against terrorism.

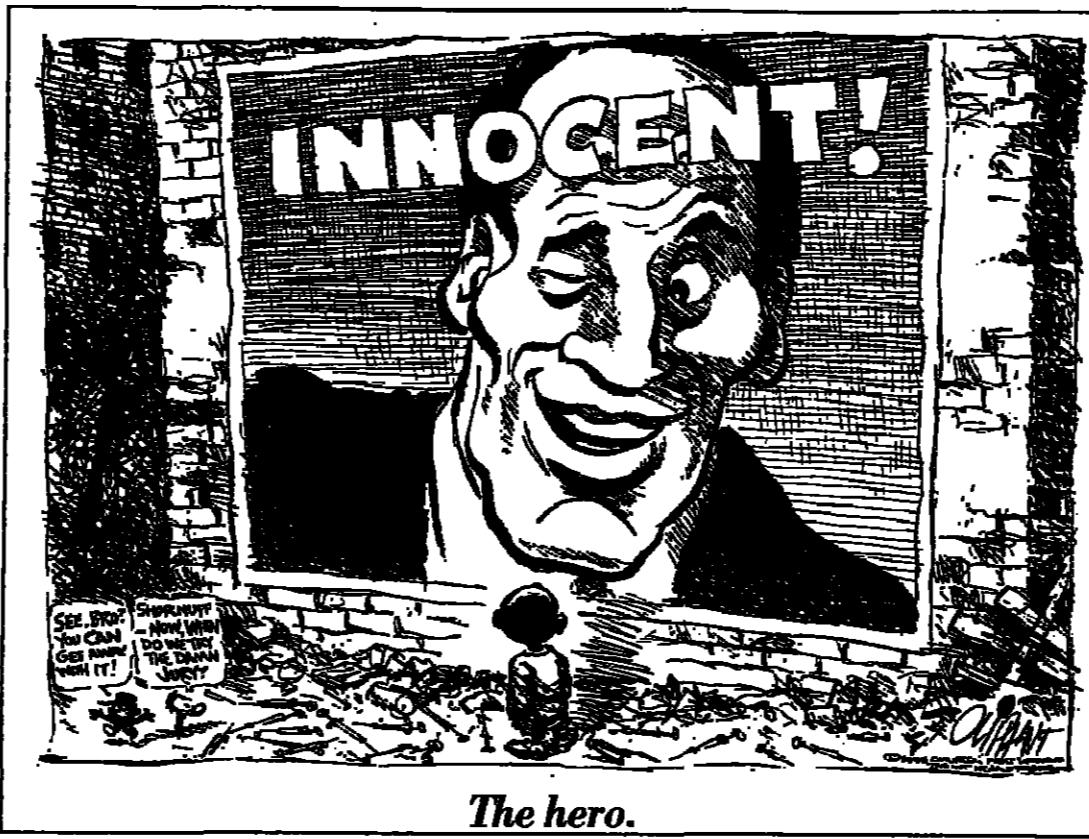
That Mr. Arafat is still on the defensive on terrorism represents a considerable Israeli victory. Much of diplomacy is devoted to getting your agenda established as the one that must be tended to first. That often means getting your political requirements recognized as more urgent than the other side's requirements. This is what the Palestinian suicide bombers have done for Israel. They have compelled and enabled Israelis to make their personal security the highest priority. No Palestinian priority — security, land, statehood, Jerusalem — comes even close.

In this sense, Palestinians as a people have paid more dearly than Israelis for each Israeli death. The terrorism drives the negotiation. It crimps Israel's readiness to trade off land and political privilege to legitimate Palestinian interlocutors. This stinginess is evident in the set-protecting military presence Israel insists on maintaining in the West Bank and in its dangerous, continuing land confiscation and new construction in occupied Arab Jerusalem. These Israeli policies are what the terrorist group and Mr. Arafat's other foes count on to do him and his program in.

Palestinian terrorism is also what the Jewish settler terrorists and the Israeli political opposition, separately, count on to bring down the Labor government of Yitzhak Rabin.

Mr. Arafat and Mr. Rabin are, finally, each other's hostages. Mr. Rabin has his own interest in having a negotiation reflect not simply a balance of power — Israel's power on the ground remains overwhelming — but a balance of interests. But Mr. Rabin cannot deliver his country to acceptable terms unless Mr. Arafat takes a tough, firm and clear stance, in deed as well as word, against terrorism.

GERALD C. HARDY
Manchester, Connecticut



The hero.

LETTERS TO THE EDITOR

Powell for President

General Colin Powell is a good compromise candidate for U.S. president.

He avoids the mean-spirited stance of the Republicans and the slow, "let's build a consensus" approach of President Bill Clinton that many take for waffling.

General Powell's views are far more in line with American thinking, since he is neither beholden to the forces that elected Mr. Clinton nor to the disparate "one issue" blocks that are the strength of the Republican Party.

Unfortunately, there are many bigots that would not vote for even Jesus Christ if he were black.

An even bigger stumbling block for General Powell is the lack of big money that is unfortunately needed to get elected.

As for running in either party: The Democrats have a candidate, and General Powell's forthright views alienate too many of the Republican rank and file. His true value is and can be as an articulator of truths that neither major party wants to accept.

GERALD C. HARDY
Manchester, Connecticut

EU Protectionism

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THAT Mr. Demain can have overlooked the cost of the protectionism — already evident in the double-

digit, EU-wide unemployment levels — is a depressing symptom of the intellectual hijack of which he is a victim.

As for attracting foreign investment, a Europe politically committed to hiding behind protectionist walls hardly sounds like an attractive long-term proposition.

MICHAEL TAYLOR
Hong Kong

On Bosnia

Regarding "Too Bad, General, but You're Wrong About the Balkans, Too" (Opinion, Sept. 22) by William Safire:

The position of the West (and of Mr. Safire in particular) was wrong from the beginning.

Bosnia should not have been recognized before having reached an agreement with Muslims, Serbs and Croats.

The outcome of recognizing Bosnia without such an agreement was written on the wall.

What has been done cannot be undone now, but let at least the blame be put where it rightly belongs.

PIETRO MANES
Milan

BOOKS

A GOOD LIFE:
Newspapering and Other Adventures

By Ben Bradlee. 514 pages. \$27.50. Simon & Schuster.

By Tom Wicker

WHEN Ben Bradlee was writing this memoir, he asked David Halberstam to suggest a title. Halberstam replied, "You've had a good life, Bradlee. Why not call it that?" Bradlee had, and he did, and justifies the title in this exuberant life story by a great editor who believes he was "put here on earth to be a newspaperman."

Indeed, Bradlee writes, it was "after a couple of shootouts" that he brashly proposed to the late Philip Graham that Graham should buy Newsweek. Graham did so, creating the Post-Newsweek empire, and Bradlee made an invaluable connection with the Graham family. He soon became managing, later executive, editor of The Post.

The rest is not just journalistic history: Watergate, the ground-breaking Style section, the bold follow-up printing of the Pentagon Papers soon after The New York Times disclosed them, the historic court decision that favored publication, the transformation of the staid

block as Jacqueline and John Kennedy and had developed a boon-companion relationship with his neighbors.

In fact, luck had less to do with this than Bradlee writes. He was an enterprising reporter from the beginning of his career on a long-dead New Hampshire newspaper, and he was the kind of irreverent, sophisticated, knowledgeable man J.F.K. was likely to take to. Neither set much store by solemnity.

Indeed, Bradlee writes, it was "after a couple of shootouts" that he brashly proposed to the late Philip Graham that Graham should buy Newsweek. Graham did so, creating the Post-Newsweek empire, and Bradlee made an invaluable connection with the Graham family. He soon became managing, later executive, editor of The Post.

The rest is not just journalistic history: Watergate, the ground-breaking Style section, the bold follow-up printing of the Pentagon Papers soon after The New York Times disclosed them, the historic court decision that favored publication, the transformation of the staid

block as Jacqueline and John Kennedy and had developed a boon-companion relationship with his neighbors.

• Gideon Rafael, former ambassador of Israel to Britain, is reading "Remembering My Good Friends: An Autobiography" by George Weidenfeld.

• This is the story of the rise of a Jewish refugee youth from Vienna to peer of the realm and leading publisher by literary intuitiveness, commercial ability, intellectual versatility and engaging conviviality." (IHT)

old Post into a remarkable newspaper.

"A Good Life" is consistently interesting, of course, to anyone who lived through the times it recounts. Three passages gripped me more than most:

• A detailed account of how Bradlee, a magazine journalist, prepared himself to edit a daily newspaper. Night and day, from the publisher's office to the blue-collar press room, he worked to learn the business, not just his own duties but what everyone did or should do, how the complex — sometimes

miraculous — business of putting a newspaper out is accomplished night after night.

• A sad account of how the Post covered the wreck of Gary Hart's presidential campaign in 1988. It led Bradlee to this reflection on how his close friend John Kennedy would have fared had reporters applied the same rules of coverage to him:

"I have concluded that he could not have withstood the pressure of publicity. If the American public had learned — no matter how the public learned it — that the president of the United States had shared a girlfriend, in the biblical sense, with a top American gangster, and Lord knows who else, I am convinced he would have been impeached."

• Bradlee's ultimate conclusion on politicians' "national security" threats to newspapers: "Patriotism is not exclusively the province of administration officials... more often than not, in my experience [they] use the claim of national security as a smokescreen to cover up their own embarrassment. Those of us who heard Richard Nixon claim he could not explain Watergate because matters of national security were involved will never automatically accept claims of national security. Those of us who were taken all the way to the Supreme Court... for the Pentagon Papers... remember the solicitor general of the United States 18 years later writing that the national security was never threatened by publication."

"A Good Life" may be too irreverent for some, too frank for others and discounted by many who apparently believe newspapers and newspapermen are without scruple or honor. Bradlee's memoir recounts a good life in journalism that nevertheless exhibited both — as well as the talent, the energy and the courage to act on them.

• Tom Wicker, who retired in 1991 as a columnist for The New York Times, wrote this for The Washington Post.

the usual path with 7...Nc6.

Once again, Anand diverged from the main line's 12 O-O-O, which he used in Game 11, with 12 Nc6 bc 13 Bb6 c5. This has occurred previously, but it is rare because the exchange of knight's strengthens the black pawn center. The Dutch grand-

attack with 19...e4, but the struggle could be prolonged. Kasparov said afterward: "The decisive error was 21 c3. He should have played 21 Rd1. The plan would probably be to play Qd4 and O-O as quickly as possible. After 21 c3 Rcc8 22 bc Re6, it would have been foolish to play 23 cd because 23...Re5 24 Kf1 (on 24 Qd4, Rfe8 wins outright) Nc5 would be crushing.

After 23 Kf1 Rfe8 24 Bd3 dc 25 Bc4, Kasparov threw the finishing punch with 25...Ne4!

Taking the sacrificed knight with 26 fe succumbs to 26...Rf6 27 Ke1 Re4 28 Be2 (or 28 Kd1 Re4 29 Kc1 Rf2) Qf2 29 Kd1 Re2 30 Qe2 Rf6 31 Kc1 Qe2. Moreover, 26 Qe1 Rdf7 27 fe Rf6 28 Kc2 Re4 is just as awful.

Even the exchange of queens with 26 Qd4 Qd4 27 cd is hopeless against 27...Nd2, winning a piece. Anand gave up.

It was not long before Kasparov made powerful use of his reinforced pawn center with 18...e5! 19 de d5! 20 Be2 (20 Bd5? Rfd8 21 c4 fe is disastrous for White) c4! riveting the white king in the center because 21 O-O-O cb 22 ab Qb3 is crushing for Black. Anand should have tried to keep the position closed by not capturing on e6. Then Kasparov could

have won with 22...Rf6 23 Kd1 Rf2 24 Kc1 Rf1 25 Kd2 Rf2 26 Rf1 Resigns.

AMAND/WHITE

KASPAROV/BLACK

1 e4 e5 2 Nf3 Nc6 3 Bb5 a6 4 Ba4 Nf6 5 d4 d5 6 Nc3 Bb4 7 Bb3 Nc5 8 0-0 0-0 9 Nf1 Bb7 10 Nc3 Bc5 11 Nf1 Bb6 12 Nc6 bc 13 Bb6 c5 14 Bb3 Nf6 15 Bb2 Nc5 16 Bb3 Nf6 17 Bb2 Nc5 18 Bb3 Nf6 19 Bb2 Nc5 20 Bb3 Nf6 21 c3 Rcc8 22 bc Re6 23 Kf1 Rfe8 24 Bd3 dc 25 Bc4 Ne4 26 Qd4 Qd4 27 cd 28 Kc2 Re4 29 Kd1 Rf2 30 Qe2 Rf6 31 Kc1 Qe2 32 Kd1 Rf1 33 Kc1 Rf2 34 Kd1 Rf1 35 Kc1 Rf2 36 Kd1 Rf1 37 Kc1 Rf2 38 Kd1 Rf1 39 Kc1 Rf2 40 Kd1 Rf1 41 Kc1 Rf2 42 Kd1 Rf1 43 Kc1 Rf2 44 Kd1 Rf1 45 Kc1 Rf2 46 Kd1 Rf1 47 Kc1 Rf2 48 Kd1 Rf1 49 Kc1 Rf2 50 Kd1 Rf1 51 Kc1 Rf2 52 Kd1 Rf1 53 Kc1 Rf2 54 Kd1 Rf1 55 Kc1 Rf2 56 Kd1 Rf1 57 Kc1 Rf2 58 Kd1 Rf1 59 Kc1 Rf2 60 Kd1 Rf1 61 Kc1 Rf2 62 Kd1 Rf1 63 Kc1 Rf2 64 Kd1 Rf1 65 Kc1 Rf2 66 Kd1 Rf1 67 Kc1 Rf2 68 Kd1 Rf1 69 Kc1 Rf2 70 Kd1 Rf1 71 Kc1 Rf2 72 Kd1 Rf1 73 Kc1 Rf2 74 Kd1 Rf1 75 Kc1 Rf2 76 Kd1 Rf1 77 Kc1 Rf2 78 Kd1 Rf1 79 Kc1 Rf2 80 Kd1 Rf1 81 Kc1 Rf2 82 Kd1 Rf1 83 Kc1 Rf2 84 Kd1 Rf1 85 Kc1 Rf2 86 Kd1 Rf1 87 Kc1 Rf2 88 Kd1 Rf1 89 Kc1 Rf2 90 Kd1 Rf1 91 Kc1 Rf2 92 Kd1 Rf1 93 Kc1 Rf2 94 Kd1 Rf1 95 Kc1 Rf2 96 Kd1 Rf1 97 Kc1 Rf2 98 Kd1 Rf1 99 Kc1 Rf2 100 Kd1 Rf1 101 Kc1 Rf2 102 Kd1 Rf1 103 Kc1 Rf2 104 Kd1 Rf1 105 Kc1 Rf2 106 Kd1 Rf1 107 Kc1 Rf2 108 Kd1 Rf1 109 Kc1 Rf2 110 Kd1 Rf1 111 Kc1 Rf2 112 Kd1 Rf1 113 Kc1 Rf2 114 Kd1 Rf1 115 Kc1 Rf2 116 Kd1 Rf1 117 Kc1 Rf2 118 Kd1 Rf1 119 Kc1 Rf2 120 Kd1 Rf1 121 Kc1 Rf2 122 Kd1 Rf1 123 Kc1 Rf2 124 Kd1 Rf1 125 Kc1 Rf2 126 Kd1 Rf1 127 Kc1 Rf2 128 Kd1 Rf1 129 Kc1 Rf2 130 Kd1 Rf1 131 Kc1 Rf2 132 Kd1 Rf1 133 Kc1 Rf2 134 Kd1 Rf1 135 Kc1 Rf2 136 Kd1 Rf1 137 Kc1 Rf2 138 Kd1 Rf1 139 Kc1 Rf2 140 Kd1 Rf1 141 Kc1 Rf2 142 Kd1 Rf1 143 Kc1 Rf2 144 Kd1 Rf1 145 Kc1 Rf2 146 Kd1 Rf1 147 Kc1 Rf2 148 Kd1 Rf1 149 Kc1 Rf2 150 Kd1 Rf1 151 Kc1 Rf2 152 Kd1 Rf1 153 Kc1 Rf2 154 Kd1 Rf1 155 Kc1 Rf2 156 Kd1 Rf1 157 Kc1 Rf2 158 Kd1 Rf1 159 Kc1 Rf2 160 Kd1 Rf1 161 Kc1 Rf2 162 Kd1 Rf1 163 Kc1 Rf2 164 Kd1 Rf1 165 Kc1 Rf2 166 Kd1 Rf1 167 Kc1 Rf2 168 Kd1 Rf1 169 Kc1 Rf2 170 Kd1 Rf1 171 Kc1 Rf2 172 Kd1 Rf1 173 Kc1 Rf2 174 Kd1 Rf1 175 Kc1 Rf2 176 Kd1 Rf1 177 Kc1 Rf2 178 Kd1 Rf1 179 Kc1 Rf2 180 Kd1 Rf1 181 Kc1 Rf2 182 Kd1 Rf1 183 Kc1 Rf2 184 Kd1 Rf1 185 Kc1 Rf2 186 Kd1 Rf1 187 Kc1 Rf2 188 Kd1 Rf1 189 Kc1 Rf2 190 Kd1 Rf1 191 Kc1 Rf2 192 Kd1 Rf1 193 Kc1 Rf2 194 Kd1 Rf1 195 Kc1 Rf2 196 Kd1 Rf1 197 Kc1 Rf2 198 Kd1 Rf1 199 Kc1 Rf2 200 Kd1 Rf1 201 Kc1 Rf2 202 Kd1 Rf1 203 Kc1 Rf2 204 Kd1 Rf1 205 Kc1 Rf2 20

INTERNATIONAL

The 'Soft Stuff? U.S. Intelligence Officers Take On Natural World

By Steven Greenhouse

New York Times Service

WASHINGTON — Environmental threats like the beautiful water hyacinths choking Lake Victoria and the desert sands eating away the sparse pastures bordering the Sahara are some of the issues deemed urgent today by U.S. foreign policymakers in much the same manner as such military threats as new missile sites alarmed policymakers several decades ago.

These days, intelligence officials are being asked to look at softer targets — those flowers and sand dunes — to shed light on this decade's hot wars.

Through this optic, Somalia and Rwanda can be interpreted not as spontaneous outbreaks of clan warfare or ethnic violence, but as conflicts nourished by the underlying strains of hunger, drought and a lack of arable land in Somalia, and huge population growth and population density in Rwanda.

Pontiff's Message Defies U.S. Politics**He Urges Concern for Poor**

Los Angeles Times Service

BALTIMORE — In ending his fourth pilgrimage to the United States as he began it with an appeal to Americans to live up to their ideals, Pope John Paul II deliberately cut against the grain of contemporary political trends.

Although Vatican officials and leading U.S. bishops say the Pope's message was carefully grounded in biblical morality and church doctrine, Pope John Paul knew he was not speaking in a vacuum. He follows developments in the United States and receives regular briefings from American bishops.

Thus it is no secret to the Pope that even as he has been urging Americans this week to open their hearts to the poor and the downtrodden, the newly Republican Congress is seriously considering legislation — opposed by Catholic bishops in the United States — to reduce government benefits for the poor and the elderly and to tighten American borders to immigrants.

But among the constituencies that have helped elect Congress' Republican majority are members of the same mass audiences who have cheered and wept as the Pope urged prosperous Americans to help their less fortunate countrymen.

The Pope's message is not new. He has repeatedly spoken out, for example, in defense of the poor, the elderly and the homeless, as well as against abortion and artificial birth control, as he did again on his latest journey to

So in addition to their traditional intelligence gathering — arms, nuclear weapons programs, expansion of foreign armies — U.S. policymakers are looking more than ever before at natural phenomena in their search for the deeper roots of war and threats to global security.

They are expecting more wars like Somalia, where the United States sent troops to calm a desperate situation spawned by environmental calamities and the brutal political response to it.

To prepare for such future wars, they are analyzing such subjects as levels of the water table in Central Asia and the water hyacinths in Central Africa.

In August, the Defense Intelligence Agency finished a study on the rapid spread of the water hyacinth plant in Lake Victoria, which provides 120,000 tons of fish each year to Uganda, Kenya and Tanzania. The agency noted how a single water hyacinth can multiply into a million plants

in one year and warned that these plants could ultimately strangle the lake and kill most of its fish.

The consequences would be serious: famine and such political instability in neighboring countries that the United States could be called in to help.

In looking at the underlying causes of war and crisis, the intelligence community now examines an expanded menu of subjects, including agriculture, demographics, economics and epidemiology.

It looks, for instance, at China's economic boom and how it is causing considerable overcrowding in China's cities; at the AIDS epidemic in East Africa and how it is affecting the region's military and political elites; and at Mexico's industrial leap forward and how it has left millions of peasants behind.

Some old-line intelligence officials disparage this new focus on what they call "soft stuff." But the Clinton administra-

tion, led by Vice President Al Gore, has deliberately added this new focus on environmental and natural factors — famine, soil erosion, rapid population growth, the expansion of deserts — that they believe will produce many of the world crises of tomorrow.

"During the Cold War, most security threats stemmed from state-to-state aggression, so most of the analysis was of factors that could produce state-to-state aggression," said James Steinberg, the State Department's director of policy planning. "Now we're focusing more on internal factors that can destabilize governments and lead to civil wars and ethnic strife."

The CIA recently commissioned a study to determine whether there was a correlation between a country's infant mortality rate, the openness of a country's trading system to imports and the stability of its government, hoping that finding a way to view these factors collectively would help

the CIA predict where the next crisis might erupt.

Gathering of the so-called soft intelligence has become routine. The CIA now does an annual study, called "Global Humanitarian Emergencies" that forecasts which countries are most likely to suffer from natural disasters.

It set up a global affairs department two years ago that analyzes environmental matters, the global food situation and other issues the agency once gave little attention to.

"We've been looking at some of these softer issues for a long time," said an intelligence official. "What's different now is these issues have moved from the periphery to take a more central role."

Angelo Codevilla, an intelligence expert who teaches at Boston University, called this new approach misguided.

"All this soft stuff is a silly idea," he said. "The purpose of intelligence is to

ferret out secrets from people who want to keep those secrets. To turn intelligence into environmental reports is not to understand environmental problems or intelligence."

Mr. Codevilla said it was wrong to switch from harder to softer intelligence. "The hard stuff is as important as ever because guns will determine the future of the world as much as they ever did," he said.

Tony Gati, assistant secretary of state for intelligence, disagreed, saying, "This soft stuff immediately becomes hard when you have to send in the Marines."

George Moose, assistant secretary of state for African affairs, is a promoter of this new approach and says that if the intelligence community had studied Somalia's water table levels in the three years before the outbreak of famine and clan warfare there, the information might have warned diplomats of an imminent crisis.

JAPAN: Justice Minister Resigns

Continued from Page 1

religious organization. The main opposition group, the New Frontier Party, has strong backing from a Buddhist group and opposes major changes in the law.

"Swearing by my honor, there was no such secret deal," Mr. Tazawa said at news conference after announcing his resignation. "But I have made this decision in light of the need to pass the extraordinary budget through the Parliament at an early date."

Mr. Tazawa, 62, said he did not want attention on his problems to block work on the supplementary budget. In addition, he said he wanted to resign to take responsibility for the trouble he had caused.

The opposition denied that it had reached any secret agreement with Mr. Tazawa, saying that it ran out of time to ask embarrassing questions. The government also seemed eager to drop the matter.

"Both the New Frontier Party and Mr. Tazawa say they have made no such deal," said Koken Nosaka, the chief cabinet secretary. "We have no plans to investigate the case."

Ryujiro Hashimoto, president of the Liberal Democratic

Party, the largest member of the governing coalition, also said that his party did not intend to pursue the matter.

Japanese news coverage of the denials has been skeptical, and television reporters wondered aloud Monday night why Mr. Tazawa had been forced to resign without an investigation to verify the facts.

The proposal to revise the law on religion has become one of the most contentious issues in Parliament. Supporters argue that the experience of Aum Shinrikyo shows the need for further control over entities that claim they are religious organizations.

On Monday, an Aum member admitted in court to bugging the home of an army commander. Aum allegedly wanted to gather embarrassing information that could be used to blackmail the commander into joining the cult.

Also Monday, four Aum members pleaded guilty to abducting the 77-year-old mother of an Aum member so as to get money from her.

Anger at Aum has made revision of the religious organization law popular, but the parliamentary opposition is strongly resisting.

DAIWA: Tokyo Knew of Vast Loss

Continued from Page 1

it first learned of the colossal fraud in a rambling 30-page confession sent to the bank's president on July 26.

Daiwa had earlier said it notified Japanese and American regulators of the loss on Sept. 18. But on Monday, Daiwa executives said at a press conference that they had informally advised the Ministry of Finance's top banking official, Yoshimasa Nishimura, of the problem Aug. 8.

Daiwa said that on that day its president, Akira Fujita, told Mr. Nishimura that a large loss had been incurred by a trader at the bank's New York office.

While the ministry acknowledged Monday that the meeting took place, it played down the encounter, suggesting that Mr. Nishimura was told only sketchy information in a chance meeting. It also denied that it was backtracking on previous statements about exactly when it was told of the losses by Daiwa.

"It was a very difficult and delicate case," said a ministry official who spoke on condition of anonymity. "At that time, the financial authorities judged it was premature to share the information with other authorities."

According to Toshi Muraki, who works under Mr. Nishimura as the director of the commercial banking division, Mr. Fujita told the ministry that he had received a letter from an employee in its New York branch that said he had incurred a big loss from United States bond dealings. Mr. Fujita said that the bank was not sure of the letter's accuracy and was investigating it, Mr. Muraki said.

The ministry's Mr. Nishimura told Mr. Fujita to "find out the situation as soon as possible and report to us immediately when you do," Mr. Muraki said.

Then, on Sept. 12, Daiwa informed the ministry of the \$1.1 billion loss and outlined how it happened. Daiwa did not make its official report to United States authorities until six days later, and Finance Ministry officials did not inform the United States either.

The news of the loss became public on Sept. 36, when Mr. Iguchi, the trader, was arrested by the Federal Bureau of Investigation and accused of falsifying records.

Ministry officials said that it was the bank's role, not the ministry's, to inform American authorities of the scandal.

"We receive all kinds of whistle-blower calls everyday, but we do not report it before we clarify whether it is true," Mr. Muraki said Monday in an interview. "On Sept. 12, we told the bank to report to authorities including the Bank of Japan



Senator Sam Nunn announcing Monday in Georgia that he would not seek re-election, a new blow to Democrats.

NUNN: Senator From Georgia, a Shaper of Military Policy, Will Retire

Continued from Page 1

supporter of military spending: Mr. Nunn backed the Bush administration on roll-call votes 72 percent of the time in 1989.

But he clashed sharply with Mr. Bush over the Gulf War.

The Georgia senator foresaw in July 1990 that Saddam Hussein of Iraq was sending out threatening signs that could lead to a need for U.S. military action, and Mr. Nunn favored an initial troop deployment.

But when an additional 250,000 soldiers were sent without Mr. Nunn's blessing, he was more than distressed.

"The last thing we need," he thundered during a Senate hearing, "is to have a war over there, a bloody war, and have American boys being sent and brought back in body bags and yet not have the American people behind them."

In the end, the U.S. military victory came at far lower cost in American lives than he expected.

Colleagues say Mr. Nunn was tired of partisan conflict in Congress and chafed at the prospect of serving for the indefinite future in a political minority.

Mr. Nunn's decision accelerates the movement of the South from a traditionally Democratic-dominated region to one where Republicans have the top hand.

Of the seven other Democratic senators who have already announced they will not run again next year, four are from the South. In the last two elections, Democrats have lost six seats in the 11 Deep South states.

For investment information

Read THE MONEY REPORT every Saturday in the IHT

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under the scrutiny of government authorities. Police keep a close watch on the operation to make sure the boats are not rented to unmarried couples.

"Their behavior tells us, their faces," said an officer. "If we find out they're not related, we'll send them to the local authorities. They will call upon their parents and advise them."

Added another police officer, "I consider all women in this country to be part of my own family, so we have to protect them."

Similarly, there are signs of a conservative backlash at Isfahan University, where school authorities recently ordered that women must sit in the back of classrooms.

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TRACKING TELECOMS

CONVERGENCE LEADS TO MORE PERSONALIZED PERSONAL SERVICES

Technological advances are bringing new opportunities daily.

When in the 1950s, Popular Science magazine depicted the home of the future, it showed us appliances, robots and surfaces clad in shiny new plastics and metals. The message was that new machines and materials created by re-engineering molecules will eliminate the drudgery of daily existence.

Microwaves, teflon and other modern miracles are now part of our everyday life. But what the 1950s predictions did not foresee was the next phase: the movement from materials to information as the empowering force.

Today, the computer's ability to reduce complex information to simple "zeros" and "ones" that can be reconstituted in dozens of ways is transforming our lives. It enables us to tailor services to our specific needs, and it frees us in ways that reconstituted atoms once promised to do.

We have already seen the changes at the office, with telecom networks flattening hierarchies and bringing headquarters into closer contact with branch offices. Indeed, the traditional office is being eliminated altogether, replaced by a telecommunications network that electronically links widely scattered staff members, welding them into a team as if they occupied the same building.

That same convenience is now becoming available at home, turning our living rooms into command centers and making us all telecommuters. It is reducing travel time to work, shopping malls and banks while giving us

unprecedented access to information sources and forging links with other people and entities.

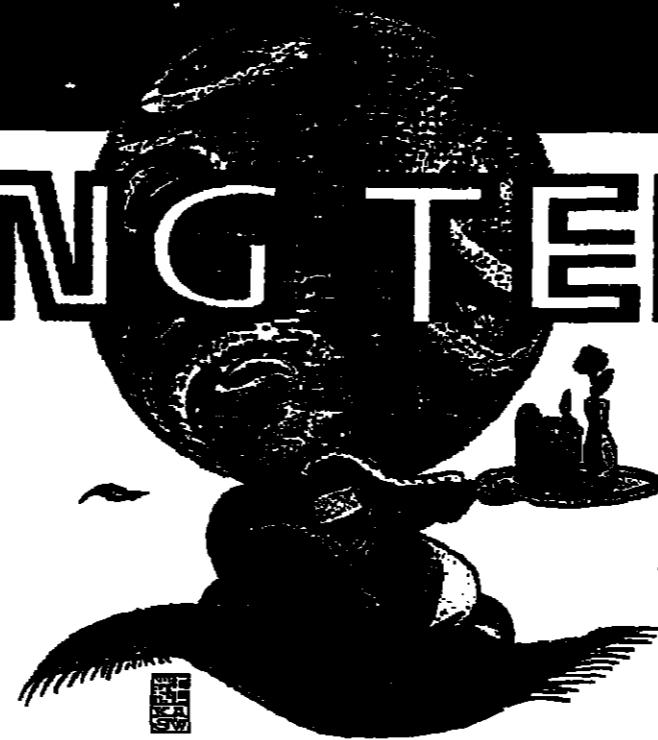
At the heart of the new revolution are the telephone and the computer. Most homes in the developed world have at least one telephone. And, according to the Wall Street Journal, 31 percent of American homes now have personal computers, one-third of them with modems and multimedia capabilities.

This is not solely a U.S. phenomenon, however. Of the 60 million computers that will be sold this year, 50 million will be bought in countries outside North America. What does this mean for the way we work? By connecting telephones, computers, video, data retrieval and voice communication facilities, an employee never has to go to the office.

From a kitchen table, documents and drawings can be downloaded from an office mainframe. Home workers can videoconference with colleagues or clients; source supplies and reference works from databanks, libraries, bulletin boards and the Internet; talk with overseas clients through an on-line translator; and a good deal more.

Long-distance face-to-face
Add a video connection, and it is possible to consult a doctor or converse with a friend in a distant country. E-mail reduces trips to the post office. On the Internet, users can read books, find a product review and purchase items at a virtual mall. Recognizing

Continued on page 10



Personalized Services

For the individual, personalized services means goods and services tailored to one's needs, many of them provided through Universal Personal Telecommunications, available wherever one goes. For suppliers, this means expanding intelligent networks to provide more sophisticated services to more users. But will global infrastructure and global standards develop quickly enough to satisfy the growing demand for truly universal UPT?

Inside

- Page 10 Telecommuting
- Page 11 U.S.-Canada links
- Page 12 Smart Cards get smarter
- Page 13 Japan's new services

An IHT/ETSI initiative.

UNIVERSAL PERSONAL TELECOMMUNICATIONS: MORE THAN A SERVICE

Developing countries could be the top beneficiaries of UPT.

Universal Personal Telecommunications (UPT), with voice and e-mail potential, promises to be a killer application. But the big questions remain: Who is going to make a killing, and who's going to get killed?

Handheld personal-computer communicators linked through global wireless networks promise to do more to shrink the world than anything since the invention of the telephone itself. They not only will be the six-gun for the road warriors of the business world, but they will also be the key to unlocking the economic and human resources of developing countries.

Wireless communications could allow people in areas without a wire infrastructure to have telephone access much sooner and much more cheaply than they would if their governments tried to string wire to every village.

Linking up the world
The potential of the technology is seen in one stark statistic from the U.S. National Telecommunications and Information Administration: Fifty percent of the people in the world today have never used a telephone. Universal per-

Continued on page 13

INTELLIGENT NETWORKS INCREASING THEIR IQS

All networks are intelligent, but some are more intelligent than others.

INs (Intelligent Networks) refers to an architecture in telecommunications networks that enables telecom operators to offer enhanced features to their customers. Explains Nancy Fennelly, group marketing manager, communications business segment, for Digital Equipment in Europe. "Previously, equipment manufacturers provided these services through software. But you can add new, more sophisticated features faster through INs."

What are the features most sought by customers? AT&T, in its second-quarter 1995 shareholder report, an-

nounced that its customers want help "managing their busy lives, support as they adopt new technologies, convenience in reaching others and easy access to information and entertainment services." To address these needs, AT&T has "assembled offers that marry intelligent devices with the intelligence in [our] networks."

Intelligent networks have been around for over a decade on wired networks. Perhaps their best-known feature is the toll-free number. Other ser-

Continued on page 12

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SPONSORED SECTION

TRACKING TELECOMS**TELECOMMUTING: BENEFITS FOR COMPANIES AND WORKERS***Some predict that half the U.S. work force could be telecommuting by 2000.*

Telecommuting promises to be one of the global megatrends of the 21st century, but so far it is much more a trend in the United States — where companies are known for being more flexible, and workers more demanding about lifestyle choices — than in Europe or Asia.

A study by Link Resources, a New York market research firm, estimates that 37 million U.S. households — nearly 4 in 10 — have at least one person who works from home at least part-time.

U.S. telecommuters
The hard-core telecommuters, people working full-time or part-time at home during regular business hours, total 8.4 million; they make up the fastest-growing segment of those who work at home — up from an estimated 2.4 million in 1990 and 6.6 million in 1994 to more than 8 million this year. Some experts guess that up to half the American work force could be telecommuting at least part of the time within five years.

These "lone eagles" are often creative types who can work alone — writers, designers, artists, researchers, and computing and communications workers — or sales and service people who are on the move. There is a growing class, who describe themselves as "road warriors," who work almost every day on the road, living and working out of suitcases and with portable computers and communications equipment.

Some major companies, such as AT&T and IBM, have closed down entire of-

fice complexes and sent their workers home — telecommuting can mean a huge savings on corporate overhead. For most companies, however, it is still experimental, used just for workers who want or need to be at home.

"Right now, [telecommuting] is still on a case-by-case basis," says Ruth Katz, an executive with Work/Family Directions, a Boston consulting firm. "All the stars have to be aligned. But we expect to see more of it."

Most telecommuters seek out arrangements where they can work at home, often for family reasons such as the need to care for young children, but more companies are suggesting telecommuting as a means of keeping productive employees who otherwise would quit, such as young mothers or workers who are moving to follow a spouse.

Keeping good workers
"You don't become more competitive only by reducing cost. You do it by getting the best people and letting them work in the ways that are most effective for them. Where you are has little to do with what you produce," says Franklin Becker, director of the International Workplace Studies Program at the Cornell College of Human Ecology.

Jack Nilles, a Los Angeles consultant and the author of the book *Making Telecommuting Happen*, says a telecommuter working at home 1-2 days per week can save most companies \$6,000-\$12,000 a year because of increased productivity, lower staff turnover

and reduced office space.

And in some U.S. states, such as California, telecommuting programs help companies meet air-quality standards, largely through keeping workers from driving to and from work. The U.S. Department of Transportation says telecommuting is reducing automotive emissions by 1 percent and saving more than 400 million gallons in gasoline consumption per year.

A 1994 survey of American office workers by a business research organization found that 57 percent be-

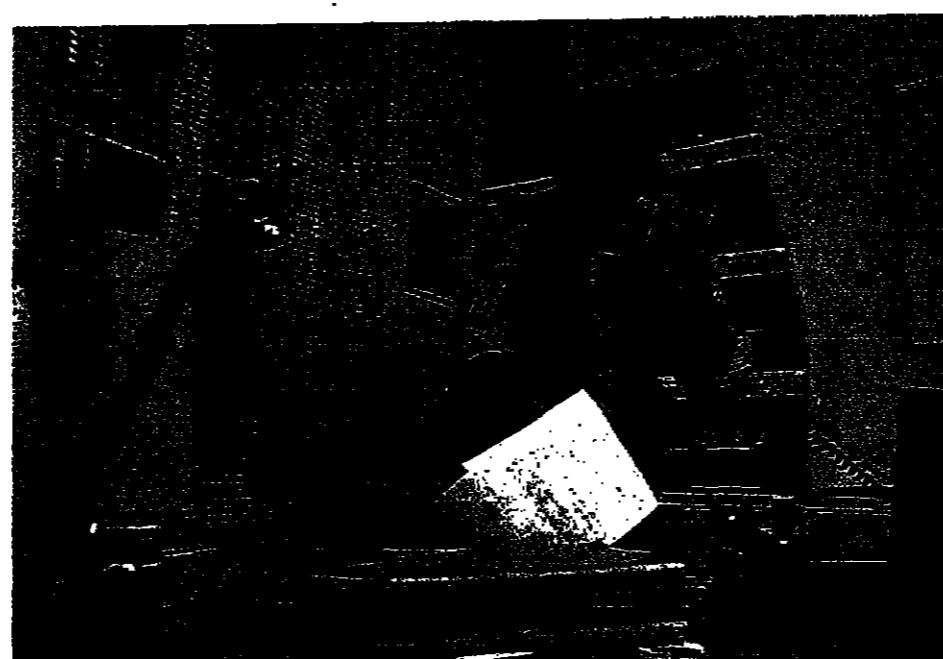


PHOTO BY RONALD D. BROWN

lieve flexibility is the main advantage of telecommuting, while 48 percent said they like the idea of establishing their own working

hours. 33 percent said their job stress would be reduced by telecommuting and 30 percent said they wanted to stop commuting.

The survey also showed, however, workers' concerns about being isolated: 4 in 10 said they were afraid that they would not have quick,

PERSONAL SERVICES BECOMING INCREASINGLY PERSONAL*Continued from page 9*

the computer's new role as an interface between the home and the world, 19 major banks in 36 U.S. states began giving their customers free software allowing users to download information about their accounts, plan retirement programs and prepare tax returns. Small businesses can access credit-card charges and prepare their payrolls. Customers appreciate the convenience of home banking, and banks welcome the opportunity to reduce the costs of operating fully staffed branches.

Many new telecommunications services are made possible by intelligent networks, which automatically carry out a series of operations before the phone rings in the subscriber's home — all without human intervention. Today, a phone owner's location is more important than the telephone's location when others try to call. With 700 Global Numbers (called 500 numbers in the United States), a single number follows the owner wherever he or she goes. The number can be the user's for life, making possible phone calls, the sending and receiving of faxes, videoconferencing and the downloading of information anywhere on the planet.

Personal digital assistants and palm-top computers hold data vital to the mobile executive. The devices can be connected to telephones to retrieve data, faxes and e-mail. Someday, these devices may be merged with cellular telephones and Personal Communications Service handsets to give one wireless access to a broad range of services, making workers truly mobile and no longer reliant on an office, a database or even a fixed address.

Smart Cards are facilitating transactions, combining and

enhancing the functions of the magnetic-stripe credit card and the stored-memory phone card. The card's embedded memory chip holds financial data and medical records, and can serve as an "electronic wallet" for making a wide range of purchases without having to access a central databank for authentication.

Telecommunications also enables us to personalize our entertainment preferences through interactive television, 500-channel television and video-on-demand. The same networks will soon bring programs from Johannesburg, Rio or Kathmandu. Someday, we may even be able to vote on national issues, the ultimate exercise of personal power.

Making these miracles happen are the telecommunications, cable, computer hardware and software providers. Digitization, miniaturization, video compression algorithms, digital-signal processing chips, high-speed phone lines, LAN (Local Area Network) connections, carrier networks (notably fiber-optic networks), encryption, memory storage, acoustics, call-control software and broadband switching mechanisms make it all possible.

Alliances

Providers are tumbling over each other to offer new services. As bewildering as the host of new products is the number of collaborations among those formerly regarded as competitors who now recognize the benefits to be gained from mergers. Alliances are occurring at a dizzying rate in response to new imperatives and opportunities. Each one is leapfrogging over a new technology that may have been established only the day before, and in turn being outpaced by yet a newer approach.

To date, the alliances have been within national boundaries, but they will soon expand to include regional and ultimately global collaborations to take advantage of special competencies. These advances are supported by universal technical standards formulated by international bodies, thereby ensuring system compatibility and interoperability anywhere on earth. Economic factors are driving the new development. Executives now recognize the cost benefits of the new technologies, which can cut office overheads (including expenses for support and secretarial personnel, travel costs and stationery expenses). The universality provided by mutually accepted standards means that companies in all countries can talk to each other electronically.

But the revolution is by no means over. Progress in broadening bandwidth and speeding data transfer will enhance the capabilities of existing technologies and open the doors to the creation of new ones. For the individual, the benefits extend beyond mere cost savings. Personalized services enable users to set their own work hours, to live where they want, to spend more time with the children, to keep the family at home in the evenings and to save trips to the library, doctor, bank, post office and shopping malls.

Reduced travel time

As a bonus, the reduced travel time minimizes wear and tear on the environment, spreading the population and releasing fewer fumes into the air. It is unlikely that we will see the disintegration of cities and corporate office towers, but certainly the boundaries between urban and rural will begin to fade. Ironically, technology may take us, not away from nature, but closer to it.

Steve Van Beek

NIGHT RAID ON MONTE CALVO.

The Bell Jet Ranger arrived at the rendezvous exactly 15 minutes past five in the morning. Just as Operations had planned it.

It landed on the plateau 1,600 meters above sea level where it had dropped the professionals and their equipment the evening before. Two men hustled onboard, and the helicopter lifted, banking into the rising sun. They were quiet. They knew their night job had been a success. Secretly they had shut down a key part of Italian telecommunications for thirty minutes without anybody noticing. And when they turned things on again, nothing was like before.

The raid on the cellular transmission station on Monte Calvo was only one in a series of 1,400 nightly missions that took place in Italy during June, July and August of 1994. And they were all the result of a giant miscalculation. A killer success, some people called it.

Simply put, when cellular telephony was introduced in Italy in the late eighties, nobody had counted on the market to explode the way it did. (To be honest, we at Ericsson were also caught by surprise — despite having built mobile phone networks in 74 countries around the globe.) The Italians love their *telefoni*.

The first signs of congestion could be seen in Toscana in

the spring of 1993. Then came the summer. Vacationers brought their cellular phones to popular seaside resorts only to find that they could not access the network without great difficulty. Or not at all.

But real serious trouble started in the fall, when the Italian network operator, TELECOM Italia Mobile, launched low *famiglia* tariffs aimed at the residential market. The goal was 50,000 new subscribers per month — before year's end, the actual number was double that. And increasing. In December, the operator realized the network was approaching full capacity. With cellular grid lock looming on the horizon.

The big question was: Is there any way of expanding the existing network instead of suffering the incredible pains and costs of building a new one? And do it now, right now?

A sane group of persons would probably have said, "No, not under these circumstances." But to us at Ericsson, the challenge was just too exciting to pass up. (Dedicated? Yes. Sane? Not always.) We decided to throw all available resources at the problem. And to get the customer directly involved in the work from day one. And to try new approaches without hesitation. And to do all this at the breakneck speed the crisis-like situation called for. We gave the project code name CN-A9.

Of course, you have already guessed that we solved the problem (or this ad would not be here, right?). But the story has a few interesting twists to it, as you shall see.

From a full "practical" capacity of 800,000 subscribers and a full "theoretical" capacity of 1,500,000 subscribers, we extended the existing network so it could handle more than 3,000,000 subscribers. Without adding a single base station or cell.

What we did add, however, was a new, second access channel. (We performed a few other tricks, too, including some true on-the-spot inventions, but this was the heart of the solution.) One of the 24 voice channels in each cell was put to duty as a subscriber access channel instead.

Now, this may sound like a simple enough idea, but it was something that had never been done before. Anywhere in the world.

In a brief period of five months, a team of Swedes, Canadians, Englishmen and Italians turned the idea of double access channels into reality. These were people from Ericsson, from the Italian mobile operator and from the national telecommunications company, TELECOM Italia. They all worked to solve a single problem. At times, it seemed they all worked for a single company.

In Stockholm, they analyzed the congested network. In Calgary, they developed new two-channel software. In Karlskrona and Guildford, they laboratory tested each solution. And in Rome, they designed a "battle plan" for how to implement it all on site.

Because, to make it work, in the end they would have to revisit all 1,400 base stations, install the new software, and retune the radio signals of almost 5,000 cells, one by one. (It was imperative that the two channels were tuned to exactly the same frequency, or the stations would favor one channel only. And nothing would have been gained.)

The guinea pig was to be Pescara, a small town on the Adriatic coast. And, one is tempted to say, of course things didn't work. But a minor infancy glitch was worked out in a day and a half. After that, all systems were "go" for a national roll-out. Florence came the following week, then Cagliari, then Napoli, then the rest of the country.

Every night, two to three hours after midnight, teams of experts visited base stations and cells in the network, shut them down, changed them over to two-channel operation, and turned them on again. On mountain sides, on roof tops, on rocky beaches, on steel towers. Planned and orchestrated like a military operation. Without a single subscriber complaining. Or even noticing.

So, the same summer night that Italy played Bulgaria in the World Soccer Championships in the United States, the multicompany, multinational CN-A9 task force gathered in Florence to celebrate. They could toast a predictable Italian soccer victory. But, more significantly, they could toast a great accomplishment of their own — maybe not fully as predictable at the outset.

So, is that it? Unfortunately not — or fortunately, depending on which view you take. The Italian cellular boom continues, and the access congestion is slowly but surely coming back. And this time you can't repeat the old channel trick.

The new solution will be to shrink the size of the cells instead. Which is also easier said than done, because the need is biggest in the cities, where there is little room for new base stations. (In sophisticated Portofino, TELECOM Italia Mobile even had to buy a small apartment and put the station and its antenna *inside* the living room.)

This next Italian build-out phase has been called The Impossible Step. We, at Ericsson, can hardly wait to sink our teeth into it.

TRACKING TELECOMS

U.S.-CANADA STANDARDS: MORE ATTENTION NEEDED

Lack of standards may result in equipment duplication.

The United States should be doing more to achieve new telecommunications standards in North America, according to a Canadian expert.

"The lack of attention to standards within the United States is a worry for the rest of the world," says Keith G. Knightson, a member of the U.S. ANSI Information Infrastructure Standards Panel (IISP).

Inhibits or facilitates?

"Certain factors in the United States seem to believe that standards are an inhibiting factor," says Mr. Knightson, who is also chairman of the Telecommunications Standards Advisory Council of Canada working group examining Global Information Infrastructure standards issues.

"Outside the United States, standards are generally viewed in a more positive light and regarded as facilitating factors and as a basis for free and fair competition," he adds.

Interoperability is key
Canada feels that to achieve meaningful and open communications on an extremely

large scale, interoperability has to be front and center in all information infrastructure initiatives, according to Mr. Knightson.

"Any limitations on interoperability will constrain the degree of communication possible and will unnecessarily restrict access to information and services," he points out.

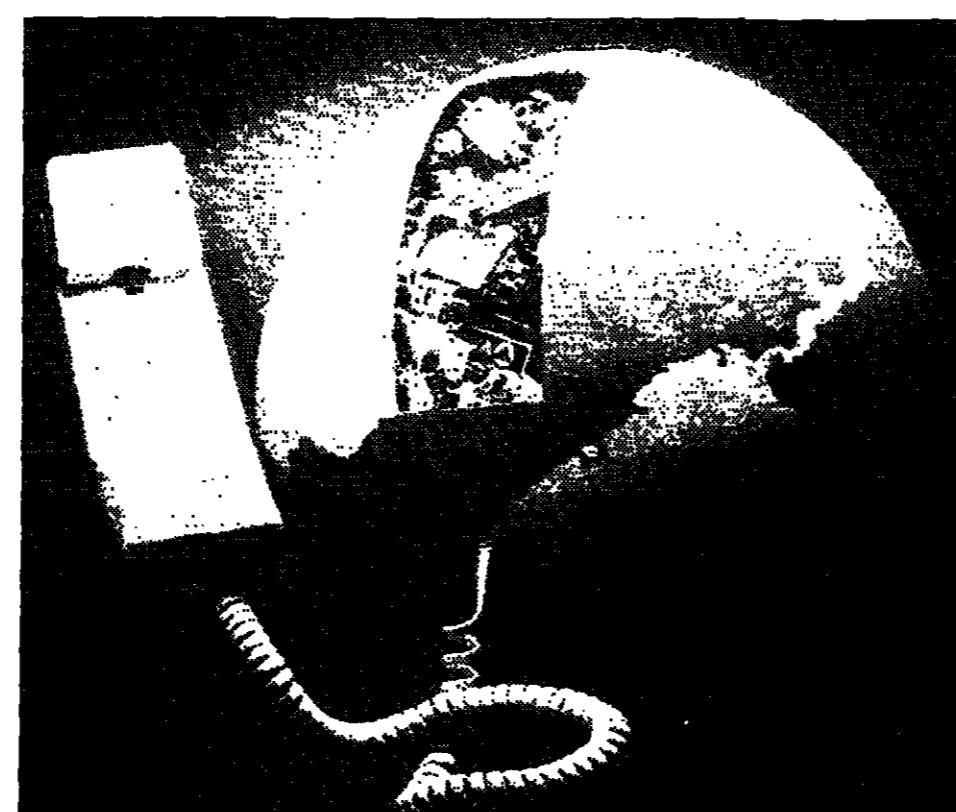
"As a result, many in Canadian industry feel very strongly about the use of open standards, and we are recommending that ways be found to ensure that open standards form the basis of all highway networks, products and services."

Global infrastructure

Mr. Knightson says the Global Information Infrastructure is a megatrend because it encompasses the so-called megatrends of telecommunications.

"This is because so many different base technologies and industries that have been compartmentalized up to now have the potential for convergence and integration," says Mr. Knightson.

"For instance, one could imagine receiving video-phone calls on your home



Calling the world: Telephones are going global.

theater equipment, or perhaps printing the contents of a particular TV frame on your laser printer. One could imagine having a single access line to the home for all voice, data and video services, being able to dial home to program the VCR, turn on the air conditioner, and so on. One can argue that this can be done today, and so it can. But not very easily.

"There is no generic plug and play of the various components belonging to the telecommunications, computing and entertainment worlds," he continues.

"There is no seamless interoperation amongst the telephone system (wiring and telephone components), the cable-TV system (wiring and components), the personal computer system (wiring and components), the home security system (wiring and components), and so on."

Map being redrawn

Mr. Knightson says the traditional lines of demarcation between the communications, information and entertainment industries – megatrends in themselves – could and should be swept away and replaced by a giant set of collaborating industries providing "plug and play" components that can be integrated into a single coherent system.

"For example, one project receiving much attention concerns delivery of on-demand, real-time video to the home," points out Mr. Knightson. "There appears to be no connection between

this project, however, and other projects aimed at providing videophone service to the home. The consequence will be total duplication of similar but incompatible wiring and equipment – screens and set-top boxes for example – if a user wants both services."

Good and bad
This may be good for suppliers, he notes, but it is bad for users.

"There is a distinct danger that user needs will not be adequately addressed, and technological chaos will prevail," Mr. Knightson points out. "We may never again see a global system comparable to universal telephone service in the new information age. The basic telephone service still remains an impressive achievement when you consider the scale and extent of its operation. The ability to achieve the similar capabilities for information services looks doubtful."

T.H.

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PROGRAM DIRECTOR: Bill Maher.

Tomorrow's section: Network Management.

PERSONALIZED SERVICES

SPOTLIGHT

AUSTRALIAN MARKET SHOWING STRONG GROWTH POTENTIAL

The country's telecom industry will open to full competition in July 1997.

The spectacular growth of Australia's cellular phones market – around 70 percent per year – has demonstrated the country's potential demand for mass-market personal communications services (PCS).

By the end of the century, more than 4.5 million Australians – out of a total population of around 20 million – are expected to be using cellular phones, a service launched in the country in 1987. This is approximately double the current figure and, in terms of market penetration, second only to Scandinavia.

population, it would be unrealistic for Australia to attempt to develop its own unique mobile/PCS system.

Constraints on development

While Australia's mobile systems are moving rapidly to digitalization (analog phase-out is due by January 2000), with consequent radio-frequency spectrum efficiency, it is spectrum availability and the need to conform to international or regional interface standards that will constrain PCS development in Australia.

"A mass market requires cheap, mass-produced technology," Mr. Darling says, "and this will come only from acceptance of the standards for major global or regional markets. For radio-based services, this mandates the use of the radio spectrum on which the standard is based – which may or may not be available in Australia." He adds that potentially all mobile systems that have been standardized regionally – and, in the future, the internationally standardized FPLMTS (Future Public Land Mobile Telecommunications Systems) – could be used in Australia. It was once considered likely that GSM (Global System for Mobile Communications) and its extension DCS (Digital Cellular System) 1800 could be used for PCS services in Australia with fewer problems. The PCS systems now being standardized for the United States, however, require spectrum allocations not ideally suited to Australia if FPLMTS standards are to be used in the longer term.

Australia's future spectrum access policies are still considered as part of the Australian government's review of the post-1997 competitive industry, being undertaken by its Spectrum Management Authority. The SMA is implementing new apparatus licensing arrangements and has initiated discussions on the future form of spectrum access.

Nigel Hopkins

In my business, minutes could cost millions.
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Lynn A. Schriber,
International Financial Consultant

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Bo Heijers,
President and CEO, Ericsson Inc.

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LIVES ON PLASTIC: SMART CARDS GETTING SMARTER

Smart Cards' potential is seen as limitless.

The thin piece of plastic that replaces cash can save a life, pay for a life or even illustrate a life on a monitor screen.

Originating in France's Groupe Bull laboratories in the 1970s, Smart Cards differ from "protected memory" phone cards by having a tiny 3K chip microprocessor and memory bank embedded in them. This chip stores and manipulates digitized information, enabling it to serve a wide variety of purposes.

Its low cost and ease of use makes it ideal for numerous services. For example, a user can insert a Smart Card into a portable telephone, enter a PIN number and be automatically logged onto the GSM (Global Systems for Mobile Communications) network to make a long-distance call. Some day, the card will enable the use of a cellular telephone anywhere in the world, with payment being deducted from the monetary value stored in the card.

Endless possibilities
The applications are limitless. Catherine Allen, chairperson of the U.S. Smart Card Forum, which comprises 200 corporate members, presents this scenario: "Before going to work, I use the card to program the television to block out violent or pornographic channels for my children. I then slot it into my PC and transfer \$100 from my bank account to my card. If I'm using my husband's car, it gives instructions to adjust the mirrors, seat and radio to my liking. At my office, the card clears me through a security door and then unlocks com-

puter files only I can access. I use it in the soft drink machine and to pay for lunch before heading to the doctor's office. I don't have to fill out medical forms because my card contains my health, insurance and emergency procedures information. If I wanted to travel, I could go to the airport, debit the cost of the flight and automatically be awarded frequent-flier points."

Cards are a global phenomenon. The German government has issued 53 million health identification cards. French banks have distributed 22 million Smart Cards to their customers. Banks in South Africa and China are issuing similar cards. In Bangkok, emergency-room personnel slip the card into a monitor to display the patient's medical history, blood type, medications and other information vital to a quick, accurate diagnosis.

Southern U.S. peanut farmers have used Smart Cards for 10 years. They take their peanuts to a weighing station, and the poundage is recorded on the card. More than 60,000 Smart Cards have been issued to students, staff and faculty at the Universities of Michigan and Western Michigan to be used to enter dormitories and pay for purchases, photocopying, vending machines and laundromats. U.S. Marines at Paris Island boot camp use Smart Cards to make purchases on base.

Convenience and security

"Our surveys show that consumers are interested primarily in convenience and security," says Ms. Allen. "The '900' numbers increase communication between business and customer.



Going mobile and on-line.

Technology improvements. "Smart Cards basically follow the semiconductor industry learning curve, so the size of the chip embedded in the card is expected to increase over time," says Mr. Cunningham.

Video and voice on cards
Today's Smart Card holds a 3K chip, but 8K chip cards will soon be common. Hitachi has developed a 16K card chip, and within two years will have a 32K chip. The larger chip will let the

consumer consolidate all his accounts, putting whatever he wants on the card," says Ms. Allen. "Some companies are looking at video and voice on the card."

In the future, Smart Cards could be our passports, speeding airport immigration procedures. They could also record money in the currencies needed in another country.

With a capacity of 1,300 words, they could serve as business cards containing the user's resume or a text-

THE EUROPEAN STANDARD UPDATE

Efforts are under way to make UPT easy to use.

In 1993, the European Telecommunications Standards Institute (ETSI) published a Technical Recommendation (ETR055) that built on and fleshed out the service requirements outlined in the recommendations of the International Telecommunication Union (ITU) concerning Universal Personal Communications (UPC).

Considerable work has been done on ETR055 since, much of it undertaken by ETSI's Technical Committee for Network Architectures, and more specifically Technical Sub-committee NA7, which, having completed its tasks, was recently merged with NA6. The latter is responsible for questions on Intelligent Networks (IN) and their role in UPT.

The European standards body is intent on making

UPT straightforward to use and safe from illegal access. To this end, a European Technical Standard, adopted by ETSI, was drawn up, known as ETS300391.

Its first phase specifies the issues involved in ease of use and security of communications. The second phase (ETS300477) specifies the use of integrated circuit (IC) cards, which could be built into devices such as a watch or calculator to generate dual-tone, multi-frequency (DTMF) signals so that the user does not have to dial a string of digits each time he or she wishes to update service requirements, such as call forwarding. The signals will occur in a cryptomatic sequence that will be generated at random by the integral algorithm so that it cannot be intercepted and copied.

Annie Turner

INTELLIGENT NETWORKS INCREASING THEIR IQS

Continued from page 9

Services provided by INs include voice mail, broadcast messages to selected customers, a universal number (an individual uses the same phone number countrywide), calling-card verification, incoming-call identification and "900" numbers (they work like toll-free numbers but the caller is charged).

Extension to wireless networks

These services are gradually being extended to wireless networks. Voice mail has become a standard feature of many corporate phone systems. Nissan in Australia used a universal number in a very effective car launch in that country. Calling-card verification is used by companies like AT&T and MCI for their international calling cards, and by state-owned telecom organizations like France Telecom for its Carte France Telecom. Incoming-call identification enables company service representatives to access customer files as they respond to phone calls, improving the speed and quality of service. The "900" numbers increase communication between business and customer.

By installing Intelligent Networks, telecom operators can create a "marketing edge," explains Pierre Strasser, IBM's Germany-based director of marketing development for telecommunications and media. If the IN feature is too slow or too complicated, however, the benefit can backfire. He cites research showing that people have a tolerance for up to four telephone options such as those made possible on an IN ("press one for reservations, press two for flight information," etc.). "After that, you lose them," Mr. Strasser says.

Nigel Deighton, research director, networking and telecommunications, for the Gartner Group in France, notes that the telecom operators want INs principally to generate revenue. "They also enable the PTTs to tailor services to their clients and launch new services more quickly," he says.

INs are a combination of hardware and software, and they represent cooperative efforts by computer manufacturers, software developers and telephone operators. Among the major players are Digital Equipment, Hewlett-Packard, IBM, Stratus and Tandem. Equipment suppliers include AT&T, Alcatel, Ericsson, Nortel, and Siemens.

This plethora of players has led to significant problems in

standardization and achieving compatibility among competing systems. There are variations in SCPs (Service Control Points), IPs (Intelligent Peripherals), Mobile Services Platforms, SS7 (Signaling System 7) standards, and connectivity options. The lack of compatibility among telecom systems slowed the acceptance of INs in Europe in the mid-1980s. By contrast, 70 percent of all U.S. telecom operators use the same IN code developed by Bellcore, notes IBM's Mr. Strasser.

Mr. Deighton says that users have "little guarantee that advanced IN services from one operator will integrate seamlessly with those from another." He says that the traditional response — global alliances — may not meet customers' needs. In addition, global alliances rarely cover both mobile and fixed services.

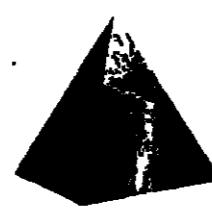
One such alliance that may have overcome the obstacles is Concert, a single-source global networking solution launched jointly by MCI and BT in June 1994. The basis for its many corporate services is a global, advanced IN specifically designed for multinational companies.

Claudia Flisi



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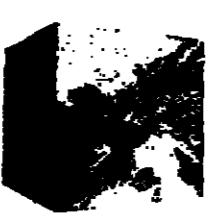
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Style



From left: Gucci's hot pants and python-print purse; Dolce & Gabbana's cowl-neck knit; polo-collared top and gauzy skirt from Emporio Armani; miniskirt and cropped top from Istante by Versace; Jil Sander's high-belted white coat.

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CCD 3

By Suzy Menkes
International Herald Tribune

MILAN — The Italians have found a word for their new look: Clueless. That is meant to refer to the American movie and its light-hearted, exuberant passion for fashion.

But most designers also don't seem to have a clue how to move fashion fast forward. The spring/summer 1996 season has thrown up yet more takes on

graphic Op Art of the swinging 1960s (groan!); and rich hippies (oh no! not them again!) in suede tunics, snakeskin boots and designer djellabas.

Collections trying to be modern rather than mod, are following Prada's lead, sending out plain dresses and three-button suits and making the bare necks and arms a jewelry-free zone.

Once the stylists add pallid makeup and messy hair, the supermodels look like down-and-out models in need of a dose of Prozac.

Against this uninspiring background, the good shows stood out: refreshingly pretty dresses in sweet pea colors in the clearly focused and realistic collection of Emporio Armani — Giorgio Armani's second line. And in the stark modernism of Jil Sander, subtly softened in shape and texture. Both produced clothes appropriate to women now.

The early message? It is a season for dresses, tunics worn over pants, narrow coats, small sweaters, often sleeveless, stiff fabrics and a sprinkling of flower prints.

Emporio did all that with refreshing charm and a fairytale ending as models in gauzy dresses in sweet pea colors twirled on the runway. The color sense throughout was magical: soft celadon green, shell pink or a brush stroke of rose.

print was introduced to a palette that started only with beige, navy and white.

Although there were high-rise pants, the show targeted dresses from knit through voile. Armani's light touch came too in iridescent fabrics used for curve jackets and in the delicate mother-of-pearl jewelry.

Coats cut from fragile shoulders with a soft empire sash made a fine opening to Jil Sander's show Monday. They set an agenda of graphic black and white and simple lines that never looked retro. Sander made sense of the fashion shift to dresses, giving her little

sleeves, reasonable hemlines and using either full-bodied cotton piqué or silky, slithery knits.

Pantsuits kept to the straight and narrow, but to feminize minimalist lines, Sander focused on fabrics, using sup-

erior leather as a shiny foil to the silky sleeveless sweater. Fashion minimalist scores when geometric tailoring is faultless and simple knits are classy. And when Ferragamo did decoration, each shoe print entwined with daisies was in the house spirit.

MILAN FASHION

pie white leather for tunics tops or iridescent pearl gray. Even if there were echoes of other designers in the layered net evening outfits, Sander made a strong showing.

Of the designers making hip

pies hip, Gucci's show was the most fun, with its castans brief over bare legs, or long and sheer. But with this collection, designer Tom Ford did not seem to be moving forward or to be creating new Gucci classics — unless you include cool takes on pinstripes and his best-selling hipster pants — now with them-before animal prints should have been called.

The racing stripe inserts, geometric dresses and zipper details at Istante, by Gianni Versace, looked like a makeover of his couture line shown in July. He likes the mod side of the 1960s and if you (still) want them, skinny rib sweaters and A-line skirts were cute. Versace has a way with prints and Istante had flowery swimwear and a pretty version of a rosebud pattern, first seen last season at Prada and now sprouting over Milan.

It seems to be a season for flowers. Laura Biagiotti scattered them on her pale and luxuriant cashmere dresses and embroidered colored buds on wool coats or organdy dresses.

The daisy that was the signature of André Courrèges and Mary Quant in the 1960s was a motif for Lawrence Steele who applied daisies on A-line dress

es. Sportmax had daisies like cut-out doilies on Jackie Kennedy-style shifts. At Callaghan, piqué dresses in orange, turquoise or black and white announced that designer Scott Crolla was trawling the 1960s.

Oh those wretched 1960s!

Even Missoni went mad for mod — all checkered Op Art squares, hipster pants and bared midriffs. Max Mara made something of the 1960s (and owed a debt to Prada) with boxy tunics over slender pants (a wearable look) or the painstakingly plain three-button suit.

A PART from a bright opening of neoprene swimsuits with fluorescent flashes on black, Fendi's show was an indeterminate mix of boxy jackets and what looked like knitted nightdresses. The color palette majored on cloud gray. Krizia found a silver lining in the shiny dresses that opened and closed the show. Since the roots of the house are in knitwear, Krizia scored with its black lace tops and silky sweaters shown with swingy chiffon pleated skirts.

Two American designers came up with lively young lines for Guinot. Anna Sui's secondary line pitioned the season's little dress in a bright butterfly print on piqué. The crisp little dresses, piqué suits and polo-shirt dresses in candy pink or mint green colors by Marc Jacobs looked adorable on a line of timid teenage girls.

Valentino went Clueless. Inspired by the movie, he sent out in his Oliver line cutie-pie dresses, meringue stiff in waffle piqué, all very short, pink, white and sugar sweet. For once, it wasn't a 1960s revival — just a reminder that fashion can still be lighthearted and fun.

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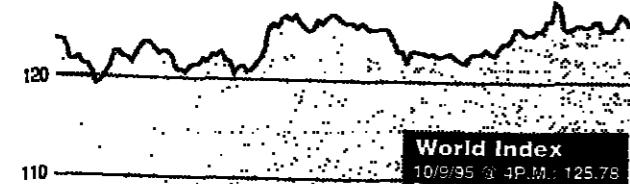
PAGE 15



THE TRIB INDEX: 125.78

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.

130



Novell Triggers Sell-Off

Profit Warning Hits Tech Stocks

Compiled by Our Staff From Dispatches

NEW YORK — Stocks tumbled Monday after a profit warning from Novell and bad news from other companies renewed concern that earnings growth is slowing.

Semiconductor, computer, software and communications-equipment stocks led the decline.

"You're starting to see the earnings disappointments broaden" to makers of high-tech goods, said Peter Keane, a fund manager for Sovereign Advisors in Charlotte, North Carolina. "Technology companies are supposed to have uninterrupted success into the next millennium."

The Dow Jones industrial average closed 42.99 points lower, at 4,762.22. Declining issues outnumbered advancing ones on the New York Stock Exchange by a 3-to-1 ratio. The Dow had fallen by more than 50 points early in the day, triggering limits on computer-related trading.

The Nasdaq index, which contains many technology shares, plunged 26.07 points, or more than 2 percent, to 985.96.

In the broad market, the Standard & Poor's 500 index fell 4.11 points, to 578.38. Trading volume slowed on most stock exchanges because the Columbus Day holiday closed banks and the Treasury bond market.

Investors have seen 10 straight quarters of better-than-expected earnings. But since International Business Machines warned investors of disappointing earnings on Sept. 13, more than 90 other companies have said their profits would fall short of expectations.

Novell, the second-largest

See STOCKS, Page 16

Asia/Pacific

Approx. weighting: 32%
@ 4 P.M.: 125.61 Prev.: 128.23

140 120 100 80 60 40 20 0

A M J J A S 1995

Europe

Approx. weighting: 37%
@ 4 P.M.: 133.44 Prev.: 133.52

140 120 100 80 60 40 20 0

A M J J A S 1995

North America

Approx. weighting: 26%
@ 4 P.M.: 121.24 Prev.: 121.78

140 120 100 80 60 40 20 0

A M J J A S 1995

Latin America

Approx. weighting: 5%
@ 4 P.M.: 90.80 Prev.: 92.15

140 120 100 80 60 40 20 0

A M J J A S 1995

World Index

The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization; otherwise the ten top stocks are tracked.

For more information about the index, a booklet is available free of charge. Write to The Index, 181 Avenue Charles de Gaulle, 92351 Neuilly Cedex, France.

© International Herald Tribune

See STOCKS, Page 16

A Dead Line for the Poor Nations' Technological Divide Expanding

By Mark Landler
New York Times Service

GENEVA — Visitors can hardly miss the theme of Telecom '95. The slogan "Connect?" appears on everything here at the quadrennial meeting of the international telecommunications industry. But in the view of some skeptics, a better slogan might have been "disconnect."

Although more than 50 countries constructed elaborate national pavilions to illustrate the explosive growth of their telecommunications industries, the poorest nations of the world are clearly not sharing in the benefits.

According to a study by the International Telecommunications Union, which is sponsoring the convention, the poorest 48 countries are falling even further behind developed nations in the growth of telecommunications infrastructure.

"The present reality is that the technology gap between developed and developing nations is actually widening,"

President Nelson Mandela of South Africa told the gathering's opening ceremony. "Most of the world has no experience of what readily accessible communications can do for society and the economy."

Michael T. Masin, vice chairman of GTE Corp., de-

scribed telecommunications

in a speech as a "liberation

technology." But he conceded

that some major regions of

the world, notably Africa,

had not benefited from its

emancipating influence.

The International Telecommunications Union has organized a new development fund called Worldtel that aims to help poor countries build rudimentary telephone networks.

Pekka Tarjanne, the secretary-general of the United

Nations agency, said Worldtel hoped to raise \$500 million from public and private sources in the next year.

"These are countries that need help to pull themselves out of their misery," he said.

But some countries may be beyond help, at least for now. Bert de Grieve, a vice president of Alcatel Trade International, a division of Alcatel Alsthom, the French telecommunications giant that specializes in bringing phone service to developing countries, said companies had little incentive to invest in Africa because of political instability.

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Pekka Tarjanne, the secretary-general of the United

RTZ and CRA Plan to Create A Mining Giant

By Erik Ipsen
International Herald Tribune

LONDON — RTZ Corp. on Monday said it would merge with its 49 percent-owned affiliate CRA Ltd., a deal that will improve the finances of the world's biggest miner and position it for expansion.

"In one step they have created one of the best balance sheets in the world for acquisitions," said Emil Morfitt, an analyst with Paribas Capital Markets. "They will be able to buy any asset that comes up."

Better yet, from RTZ's point of view, is the price of that large leap forward. By merging with CRA rather than acquiring it outright, RTZ has neatly skirted the necessity of having to come up with any cash.

RTZ, which is based in London, already is the world's largest mining company, and CRA is the biggest one in Australia. The combined company would have a market value of £13 billion (\$23.73 billion).

A joint statement from the two companies said that Lloyds shareholders would own 70 percent of the new bank, to be known as Lloyds TSB Group PLC. TSB shareholders would own the rest.

TSB shares surged on the news, closing up 80 pence at 354 pence. Lloyds shares rose 23 pence, to 725 pence.

"It makes sense strategically and looks like a very good deal for TSB's shareholders," said David Raye, a banking analyst at BBN James Capel.

"The group will be able to rationalize branches and cut costs while taking capacity out of the banking sector."

Other analysts said head office, back-room and technology costs would offer the greatest savings.

Sources close to the talks said that the Lloyds chief executive, Sir Brian Pitman, would remain in that office and that the chairman of the new company would be Sir Robin Ibbotson, currently chairman at Lloyds.

The chairman of TSB, Sir Nicholas Goodison, would be one of two deputy chairmen, while Chief Executive Peter Ellwood would become deputy chief executive charged with integrating the retail banking businesses.

(Bloomberg, Reuters)

June — and then only for such basic services as data transfer.

The commission has already

used Article 90 to inject compe-

tition in the mobile phone

industry and has threatened to

block a joint venture between

France Telecom and Deutsche

Telekom unless the German

and French markets are

opened.

Britain is the only nation to

have already allowed cable television companies to offer telecommunication services.

Telewest PLC, Britain's largest cable-television company,

said telecommunications cus-

tomers rose 83 percent in the

second quarter, compared with a

14-percent increase in television

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NASDAQ

Monday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press

NYSE

Monday's 4 p.m. Close
(Continued)

12 Month High Low Stock	Div	Ytd	PE	100s	95	
					High	Low
2276 Vicks	2	1.13	14	43	27.5	25.0
2277 Vicksor		2.00	10	20	27.5	25.0
2278 ValueCity					20.0	18.0
2279 VICKMAD	1	1.00	10	10	25.0	22.5
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Fund facts via fax.

The International Herald

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SPORTS

Colts' Lesson for Dolphins In OT: Nobody's Perfect

By Larry Dorman
New York Times Service

MIAMI — This was supposed to be all about Dan Marino and the undefeated Miami Dolphins. It was supposed to be a celebration of the day Marino eclipsed Fran Tarkenton's career completion record and of the day the Dolphins rolled inexorably toward another victory, this time at the expense of the Indianapolis Colts.

Moral to the story: nobody's perfect. The Dolphins suffered their first loss of the season, 27-24, defeated in overtime on Gary Blanchard's field goal on Sunday, when the National Football League, for the first time, had four games go into overtime on the same day.

Marino eclipsed the record, completing 19 of 30 passes to bring his career total to 3,701, but the Colts' quarterback, Jim Harbaugh, eclipsed Marino in the department that counted.

He made the winning plays when he had to. He brought the Colts back with 21 second-half points and then led them to the winning field goal with a precision that was Marino-like.

"He's a great quarterback," said Harbaugh, who was 25 of 33 passing for 319 yards and three TDs. "I'm glad for him to get the record. The win's the most important thing for me. It was a big win that took a lot of guts and courage."

For the Dolphins, it was a demoralizing defeat. Their coach, Don Shula, said afterward that "it was an embarrassment."

"It was a total collapse by us," he said.

Coming into the game, much of the attention was focused on Marino's chase of Tarkenton's completion record and on whether the Dolphins would be able to stop, or at least contain, Marshall Faulk.

Marino got the record — a foregone conclusion, since he needed just four completions — but it did not take long for the rest of the story to change.

The Dolphins pounded the Colts' run defense, ranked No. 2 in the NFL coming in, scoring on their first possession on a six-play drive that included just one pass. It all began with the recovery of Faulk's fumble, covered by Chris Singleton at the Colts' 34, and ended with Terry Kirby pounding over from the 3-yard line.

Miami struck again, this time moving 50 yards in 11 plays on its second possession. Marino's 5-yard touchdown pass to Irving Spikes tied Tarkenton's completion record, and after the Colts moved in for their lone score of the first half — a 21-yard field goal by Blanchard — Marino broke the record.

He connected for his 3,687th completion on the first play of another scoring drive, hitting Keith Byars for 6 yards. The action was stopped momentarily while a videotape of Tarkenton's completion record was played on the screen.

blared on the giant scoreboard. The old scrambler told Marino he was proud that the record had been broken by Marino, and that he was sure Marino would "wear in well."

Reinforcing that assessment required seven minutes 52 seconds. That is how long it took Marino, who completed six passes in six attempts, to move the Dolphins from their 29 to the Colts' end zone.

Once again, Kirby blasted over, this time from two yards out, and the Dolphins went ahead, 21-3. They added a 51-yard Peter Stoyanovich field goal and went into intermission with a commanding 24-3 lead.

The Miami faithful saw their

NFL ROUNDUP

season pass in front of their eyes on the Dolphins' first possession of the second half, when the Colts' safety, Derwin Gray, came untouched up the middle on a blitz and knocked Marino flying backward. As flags and fists flew, Marino lay writhing on the ground, holding his lower back, and the collective intake of breath created a vortex of eerie silence.

When it was all sorted out, Gray was charged with roughing the passer, and teammate Tony McCoy, a defensive lineman, was ejected for fighting with Ron Heller. Both calls were questionable, but when the NFL's franchise quarterback goes down, albeit momentarily, reason does not necessarily prevail.

But ignited by the melee, the Colts launched an impressive drive of their own, moving 85 yards on a 14-play drive that included two fourth-down conversions, the second one for a 3-yard touchdown pass from Harbaugh to Floyd Turner.

Harbaugh next took the Colts 80 yards in six plays, his touchdown pass of 47 yards to Turner coming on a Dolphin blitz. And they tied the score on their next possession when Harbaugh found Aaron Bailey alone in the corner of the end zone with 1:09 left in regulation.

In other games, *The Associated Press* reported:

Raiders 34, Seahawks 14: Oakland, playing at home, used the no-huddle attack to rout Seattle as Harvey Williams rushed for a career-high 160 yards, ran for a score and threw for another. Jeff Hostetler had 333 yards passing and two scores, 80 yards to Tim Brown and 16 yards to Terry Kash.

Lions 38, Browns 20: The real Barry Sanders resurfaced against one of the league's toughest defenses, with the 1994 offensive player of the year rusting for 157 yards and three TDs, one on a 75-yard dash that was his longest in the NFL. Hostetler also got 273 yards and two touchdowns passing from Scott Mitchell, while Cleveland also lost receiver Andre Rison with a

knee injury in the first quarter.

Broncos 37, Patriots 3: Visiting Denver got 97 yards rushing from rookie Terrell Davis, while Jason Elam kicked three field goals. John Elway had two TD passes in upping his record against New England to 8-0.

The Patriots have been outscored 129-43 this season, held to a single field goal in three of their last four games.

Giants 27, Cardinals 21: New York linebacker Jessie Armstead returned an OT interception 58 yards for the victory against visiting Arizona.

Armstead's TD came on the third turnover in overtime and the seventh of the game. The Giants forced overtime after Dave Brown ran 2 yards for a TD in the fourth quarter.

In earlier games, reported in some Monday editions:

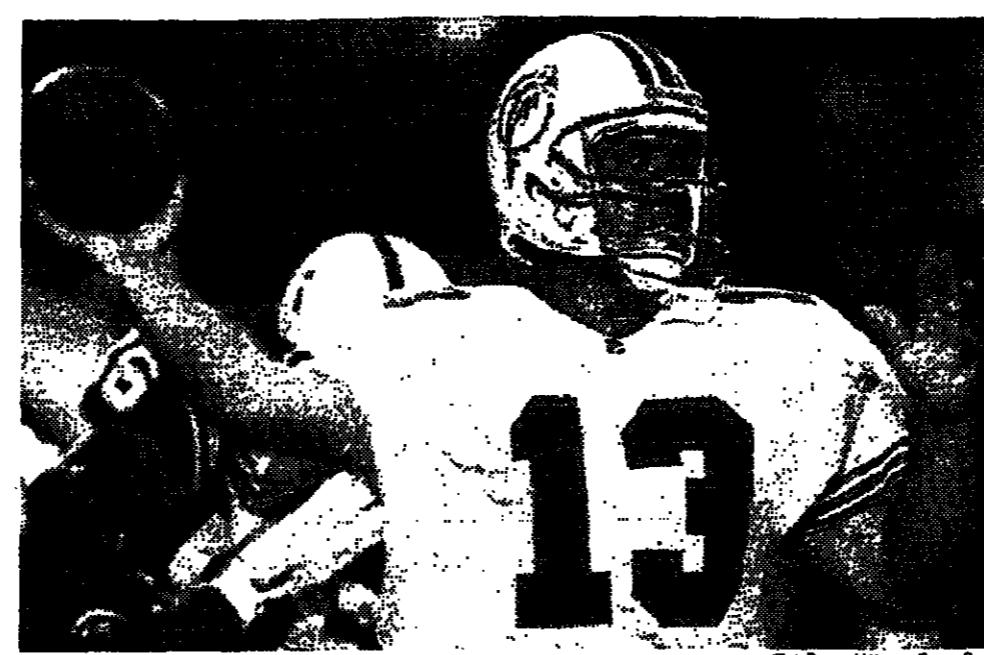
Jaguars 20, Steelers 16: It was supposed to be the mismatch of the day, Jacksonville's expansion team beat the visiting AFC powerhouse as quarterback Mark Brunell threw for 189 yards and one touchdown, then scrambled 44 yards for another.

Cowboys 34, Packers 24: Troy Aikman played despite a sore calf muscle and had one of his best days, going 24-for-31 for 316 yards and two TDs as Dallas beat visiting Green Bay for the sixth straight time.

Vikings 23, Oilers 17: DeWayne Washington's interception of backup quarterback Will Furrer's pass in overtime set up

two fourth-down conversions, the second one for a 3-yard touchdown pass from Harbaugh.

Colts 27, Panthers 27: Robert Green scored from the 1 with 38 seconds left to give Chicago its victory after Eric



Dan Marino broke Fran Tarkenton's NFL completion mark, but couldn't bust the Colts.

Marino Undergoes Arthroscopic Surgery

The Associated Press

MIAMI — Dan Marino underwent arthroscopic surgery Monday to have loose cartilage in his right knee removed.

The damage was discovered Sunday night when Marino underwent an MRI test after the Dolphins' loss to the Indianapolis Colts.

Undergoing arthroscopic surgery usually does not end a player's season.

A spokesman for the Dolphins, Harvey Greene, said the surgery was performed by team doctors Pete Indelicato and Dan Kanell, but he gave no other details. Marino also suffered a hip pointer Sunday, but returned to the game.

Robert Smith's 20-yard dash to host Minnesota's winning touchdown. Warren Moon finished 28 of 43 for 289 yards, all season highs, and Cris Carter made 12 catches for 115 yards and two touchdowns.

Eagles 34, Redskins 31: Gary Anderson's third field goal in Philadelphia, a 35-yarder with 10:06 gone in OT, beat Washington, which had

rallied from 10 points down in the last quarter.

Buccaneers 19, Bengals 16: The defense forced six turnovers as host Tampa Bay moved into first place in the NFC Central with Michael Husted kicking four field goals.

Bears 31, Panthers 27: Robert Green scored from the 1 with 38 seconds left to give Chicago its victory after Eric

Guliford put expansion Carolina ahead by returning a punt 61 yards for his first NFL TD.

Bills 29, Jets 10: Thurman Thomas ran for more than 100 yards for the first time in a year, gaining 133, and Steve Christie kicked five field goals for host Buffalo. New York lost quarterback Boomer Esiason with a concussion after he was hit by Bruce Smith.

SCOREBOARD

FOOTBALL

The AP Top 25

With first-place votes in parentheses, records through Oct. 7. Total points based on 25 for a first-place vote and one point for a 2nd-place vote, and previous ranking.

1. Florida St. (40) 2. Nebraska (14) 3. Ohio St. (4) 4. Southern Cal. 5. Tennessee 6. Stanford 7. Auburn 8. Kansas St. 9. Colorado 10. Michigan 11. Michigan 12. Alabama 13. Oklahoma 14. Northwestern 15. Stanford 16. Stanford 17. Notre Dame 18. Texas 19. Virginia 20. Michigan 21. Wisconsin 22. Texas A&M 23. Iowa 24. Washington 25. Texas Tech

NFL Standings

AMERICAN CONFERENCE

East

West

HOCKEY

NHL Standings

EASTERN CONFERENCE

Atlantic Division

W L T Pts GF GA

Memphis 8 7 0 287 295 16

Shreveport 3 11 0 411 450 10

St. Louis 3 3 0 500 124 114

Seattle 3 3 0 400 85 112

Southern Division

W L T Pts GF GA

Memphis 25 6 0 178 197 28

Birmingham 36 3 0 161 139 28

St. Louis 3 2 0 150 118 105

Seattle 2 4 0 140 114 104

Winnipeg 2 1 0 130 104 104

Atlanta 4 1 0 800 103 105

St. Louis 4 1 0 800 117 105

San Francisco 4 1 0 800 137 105

Carolina 2 2 0 500 98 125

New Orleans 0 0 0 0 0 0

NATIONAL CONFERENCE

W L T Pts GF GA

Memphis 8 7 0 287 295 16

Shreveport 3 11 0 411 450 10

St. Louis 3 3 0 500 124 114

Seattle 3 3 0 400 85 112

Carolina 25 6 0 178 197 28

Birmingham 36 3 0 161 139 28

St. Louis 3 2 0 150 118 105

Seattle 2 4 0 140 114 104

Winnipeg 2 1 0 130 104 104

Atlanta 4 1 0 800 103 105

St. Louis 4 1 0 800 117 105

San Francisco 4 1 0 800 137 105

Carolina 2 2 0 500 98 125

New Orleans 0 0 0 0 0 0

WESTERN CONFERENCE

W L T Pts GF GA

Memphis 8 7 0 287 295 16

Shreveport 3 11 0 411 450 10

St. Louis 3 3 0 500 124 114

Seattle 3 3 0 400 85 112

Carolina 25 6 0 178 197 28

Birmingham 36 3 0 161 139 28

St. Louis 3 2 0 150 118 105

Seattle 2 4 0 140 114 104

Winnipeg 2 1 0 130 104 104

Atlanta 4 1 0 800 103 105

St. Louis 4 1 0 800 117 105

San Francisco 4 1 0 800 137 105

Carolina 2 2 0 500 98 125

New Orleans 0 0 0 0 0 0

North Division

W L T Pts GF GA

Memphis 13 1 0 530 306 26

Shreveport 10 5 0 490 310 26

St. Louis 9 5 0 430 333 18

Seattle 7 5 0 380 241 19

Winnipeg 5 10 0 300 259 10

Atlanta 2 12 0 274 405 4

Carolina 2 13 0 255 397 4

South Division

W L T Pts GF GA

Memphis 13 3 0 499 234 26

Shreveport 9 6 0 459 397 18

St. Louis 9 6 0 504 359 18

Seattle 9 6 0 504 359 18



TUESDAY, OCTOBER 10, 1995

Solutions
for a
small
planet



PAGE 23

Soccer Postpones 'Vision' Showdown

Study Group Is Set Up

Copied by Our Staff From Dispatchers
ZURICH — The heads of world soccer's confederations put off Monday making a decision on European proposals to reform the structure of the sport, instead setting up a commission to study proposals to cut the role of FIFA, rotate the World Cup finals geographically, and boost global profits.

The working group will report to the presidents of the six continental confederations on Nov. 20 and they will then make their recommendations to FIFA's executive committee in December.

The move temporarily restored harmony in the running of the world's biggest sport and glossed over a power struggle between FIFA President Joao Havelange and Lennart Johansson, head of the powerful European organization, UEFA.

The working group — comprised of the general-secretaries of the six continental organizations — will study two so-called Vision proposals issued by Johansson.

Vision I would rotate the World Cup finals automatically between continents to avoid the political infighting that currently dominates site selection; cut FIFA's central role and reform its decision-making executive committee.

Vision II proposes boosting World Cup income to at least \$800 million by overhauling the sale of television and marketing rights. By comparison, TV rights for the successful 1994 finals in the United States brought in just under \$96 million.

But within a week of UEFA throwing down the Vision gauntlet last month, FIFA countered by letting it be known it had offers worth an estimated \$1 billion for the marketing and broadcast rights of the 2002 World Cup. The 1998 finals are covered by an existing deal.

"The fundamental is to make use of what football can bring financially," Johansson said after Monday's meeting.

"You see it is already having a result," he added. "It's gone from \$184 million to \$1 billion in one week — isn't that funny?"

Johansson said he was pleased with the outcome of Monday's session and with the "positive and objective approach" of other confederation chiefs.

"They didn't say they agree with us in each and every point," he said. "What we have agreed to talk about is to find out whether we are on the right track," he said.

Among the regional confederations, only the Africans have so far spoken out in favor of UEFA's proposals.

Apart from being angered by FIFA's decision earlier this year to move the world youth championship from Nigeria to Qatar, the Africans have most to gain from a redistribution of power and money among the confederations.

Because of opposition from the other confederations, UEFA has already dropped proposals to merge the smaller confederations and for FIFA to have a rotating presidency appointed from the confederation presidents.

FIFA sources said Concacaf, the Central and North American soccer body, and Conmebol, the South American confederation, were lined up solidly behind Havelange.

They said the Asian confederation and Oceania, which is not a full confederation under FIFA rules, had yet to make their positions clear.

At a rare joint press conference, Havelange and Johansson papered over their differences to portray the image of a united soccer family.

Havelange said Johansson told the confederation chiefs that Europe wanted "an evolution not a revolution."

Johansson said reports of a power struggle were wrong and that he was not making a personal attack on Havelange, the Brazilian who has run FIFA since 1974.

Asked if UEFA intended to field a candidate in the elections to succeed Havelange in 1998, Johansson replied: "It's a long way to the moon. We have a president who is elected unanimously until 1998 so I refuse to answer the question."

Still, there is considerable unhappiness in Europe over the hold the 79-year-old Brazilian lawyer has on global soccer.

Havelange withstood a European challenge to win election for his fifth four-year term in office last year. This was in part due to his plans to expand the 1998 World Cup finals in France by eight teams to 32, with most of the additional berths going to Africa and Asia.

Europe was the conspicuous loser in that battle.

A record number entries have flooded in for the World Cup preliminaries. FIFA General-Secretary Sepp Blatter said more than 165 countries were expected to put their names forward by the deadline Friday.

Blatter said he and other general secretaries were working on how to fit an estimated 750 to 800 games in an already busy soccer schedule. Problems, including South American objections to the emerging calendar, were expected to be sorted out by the draw in Paris in December.

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FIFA's decision earlier this year to move the world youth championship from Nigeria to Qatar, the Africans have most to gain from a redistribution of power and money among the confederations.

Mariners Finish Yankees in 11th Inning of Game 5



After Ken Griffey slid home with the winning run, the Mariners and their 57,411 fans jumped into the celebration.

Mariners Unveil Their Own Mr. October

By George Vecsey
New York Times Service

SEATTLE — After his compact swats produced two home runs and seven runs Saturday night, Edgar Martinez was championed by Reginald Martinez Jackson, who used to own this month of October.

"Best hitting in baseball," the Yankees' Martinez called the Mariners' Martinez. "People are only starting to realize just how good he is."

People now know a lot more about Edgar Martinez. On Sunday night in the 11th inning, he slugged a double into the left-field corner to score two runs and beat the Yankees, 6-5, and send the Seattle Mariners into the championship round of these new-fangled baseball playoffs.

It was another classic major league playoff game, more lead changes, more mood shifts, with weary pitchers like Randy Johnson and Jack McDowell and David Cone pitching their hearts

— and very probably their arms — off. But the final hammer was applied by Edgar Martinez, a modest man who has played for a marginal franchise in the upper left-hand corner of the baseball map. A month ago the Mariners couldn't draw fans in their dismal dome, and a vote to build a new stadium failed. On Sunday night, the fans were doing their best to raise the roof and let in the misty Seattle night — with their voices and their energy. And Edgar Martinez put them in that mood.

Edgar Martinez, age 32, merely won batting titles in 1992 and 1995 and has a career average of .313. He has been playing professionally since 1983, and had his share of failure, as many baseball players do. He was still being shuttled to the minors as recently as 1989, but now he is at his peak. His 29 homers this year were 11 higher than his previous best. His .356 average, 113 runs batted in and 116 walks were all career highs.

Maybe Reggie Jackson saw it coming. Reginald Martinez Jackson, from Philadelphia, is proud of his Hispanic roots on his mother's side. Edgar Martinez was born in New York and grew up in Puerto Rico. They are not related, but the Yankees' "special adviser" is quite willing to claim the Mariners' designated hitter as family.

It takes a master to recognize one. Reggie Jackson dominated so many post-season games that he unashamedly answers to the nickname of Mr. October. The New York Martinez is as flamboyant as the Seattle Martinez is reticent. It is

the tale of these two cities, the tale of these two franchises. Reggie did it with bluster. Edgar does it with serenity.

After his stunning double coup on Saturday, Edgar Martinez rode the exercise bicycle in the clubhouse. He wasn't ducking anybody but, as a designated hitter, he needed the workout.

Meanwhile, other people were talking about him.

"That grand slam, a great hit like Edgar should have hit a home run," Reginald Martinez Jackson was saying about the shot off the Yankees' best reliever, John Wetteland.

"Edgar saw so many pitches, he fouled so many off, that he got his timing down on Wetteland," Reggie said. "Wetteland made a mistake, one right down the middle, and Edgar just put it out of here. I would expect him to do that."

"But that first home run," Reggie was saying about the three-run blast off Scott Kamienicki. "I do not understand how he hit that home run. That was a good pitch, inside. Most hitters, even power hitters, would hook that ball foul into the left-field stands, but Edgar is so strong, he has such a great stroke, that he just fought it off."

In the darkness outside the clubhouse, the left-handed Reggie Imitated a right-handed hitter keeping the bat handle close to his chest, angling the meat of the bat forward — short, sweet, controlled.

"Tremendous," Reggie said. "Nobody else could do that but Edgar. Best hitter in baseball."

The Yankees have a special perspective. In this series, Martinez was 11 for 21 with 10 runs batted in. This gave him 29 for 67 against the Yankees this year, with nine homers and 30 runs batted in for 18 games.

When he finally got off the exercise bicycle, Edgar Martinez said just enough to confirm his reputation as a gentleman: "I tried to make contact — maybe produce a run or two," he said of both home runs.

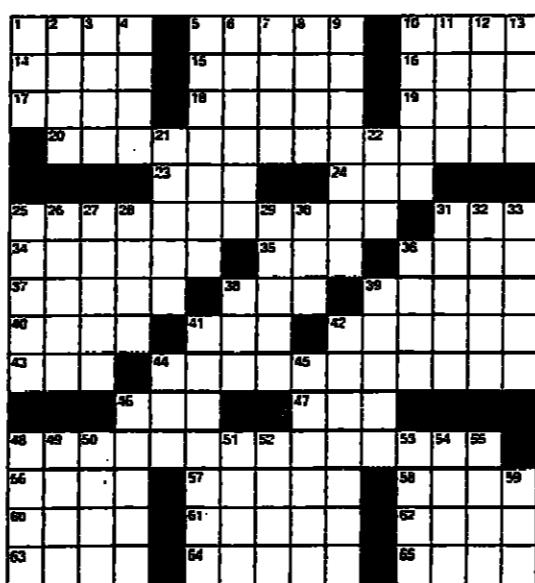
Asked about being unknown in the east, Martinez nodded his head. "I was feeling the playoffs, sure, I'm going to be excited, you know you're going to be exposed. I like to get satisfaction for the whole team. I can tell you if I get to a post-season game, I feel it belongs to the team."

Prodred about his feelings after slugging his team back into this series, Edgar Martinez said, "I'm just trying to hide my emotions right now. I feel we have the momentum."

That was as much as the Mariners' Martinez would say about himself. Now he is the latest in a small clan of sluggers who have dominated an October night.

David Cone bowed out after walking in Seattle's tying run.

CROSSWORD



ART BUCHWALD

The Man in the Street

WASHINGTON — "I can't stand it any more," Bob Lystad said, as we watched the final act in the Simpson case. "I am going to OD on all these 'man-in-the-street' interviews they're keeping showing."

"In a free society," I said grabbing a handful of popcorn.

"Everyone has



to pay attention to the voice of the turtle."

Bob said,

"My negative

feelings about

the man in the

street haven't

changed since

you and I

watched this

circus last year. Having accepted the expertise of every retired

district attorney and judge in the

country about what would hap-

pen in the trial, why are we

forced to listen to the views of

the man in the street?"

"John Q. Public has rarely

been wrong," I told him.

□

A burly man in a wrinkled T-shirt appeared on the screen, sticking his head out of the window of an eighteen-wheel truck. "It's a good decision and a just one," he said with authority. "I expect they found him not guilty because the jury

10 Years of 'Les Miz'

Reuters

LONDON — The tear-jerking "Les Misérables" celebrated its 10th anniversary this week as one of the world's most successful musicals, seen by 32 million people.

From Tokyo to Budapest, the adaptation of Victor Hugo's epic French novel has been sung in 14 languages. Shows are planned in Hong Kong, Singapore and South Korea.

Bob laughed. "He picked it up from Geraldo Rivera an hour ago."

A grandmotherly lady was standing in front of a flower shop, and the TV reporters asked her, "What do you honestly think of the verdict?"

"Put me down with a bleep," she replied.

I told Bob, "Now that lady has a strong opinion. You see the man in the street — in this case, the woman in the street — makes it easier for all of us to understand what the trial is really about."

□

Lystad was not satisfied. "Now look at that bicycle messenger. He doesn't speak for me if he thinks he does. I see no reason for him to have a sound bite."

"Maybe he delivers packages for the news producer," I suggested. "Some men in the street are not necessarily strangers to the media. If we are ever going to make up our minds as to what actually happened in that courtroom, we have to let the little guy have his say."

"But the man in the street is taking time away from Larry King, and Larry speaks for Everyman, unlike the accountant in the street whose wife won't even listen to him when he goes home."

□

Upon learning about the prize, Prime Minister John Bruton was there to praise him as a literary symbol of the Northern peace effort, and to have the poet autograph a book of his lectures.

Asked at the airport how he felt about joining the other Irish Nobel winners, William Butler Yeats, George Bernard Shaw and Samuel Beckett, he said: "It's like being a little foot hill at the bottom of a mountain range. You hope you just live up to it. It's extraordinary."

He did not mention Ireland's literary giant, James Joyce (a figure in his poetry), who never won the Nobel.

Heaney and his wife, Marie, were whisked from the airport to the residence of President Mary Robinson for champagne and more praise.

"It was entirely bewildering," he said

By Alan Riding
New York Times Service

BADEN-BADEN, Germany — When an ancient and respectable family is reduced to selling its furniture, crockery, paintings and even hunting trophies to pay off its debts, thoughts about the transitory nature of wealth may be evoked. But as Sotheby's began auctioning off the contents of a castle owned by the venerable House of Baden here, tears of sympathy were perhaps premature.

Germany may have abolished its principalities in 1918, but the head of this dynasty still carries the august title of His Royal Highness Max Margrave of Baden. More to the point, the family still owns three other castles in western Germany packed with treasures that are not on the block. And after just two days of the 15-day auction, described by Sotheby's as the largest of its kind ever held, the family was already \$21.2 million better off. [By 5 P.M. Monday, the total take had risen to \$24.6 million for the first four days, Sotheby's reported.]

With 6,000 lots comprising more than 25,000 objects from the Grand Ducal Collections of the House of Baden involved in the auction, the most valuable item sold so far was an ornate-mounted tea table made for the Swedish royal family in 1780, which went for \$1,040,520. Almost as expensive was an 18th century porcelain Ludwigsburg Marketplace, known as the "Venetian Carnival," which sold for \$960,480.

Still, the House of Baden, which traces its roots to the 12th century, has a few debts to pay. And after a recession compounded by mismanagement of its agricultural, forestry and industrial holdings left the family \$184 million in the red, the 62-year-old margrave reluctantly decided to liquidate some of his assets. The Neues Schloss, the castle that overlooks this delightful spa, seemed like the obvious place to start.

Since 1918, when the House of Baden was stripped of 15 other castles, the Neues Schloss has been used as a warehouse to store the contents of those expropriated castles. And when teams of Sotheby's experts began sifting through the Neues Schloss early this year, they found it contained important collections of Flemish tapestries, Meissen porcelain and myriad art objects.

The margrave had turned to Sotheby's because of its wide experience of managing major house sales, not least its auction of the Thurn und Taxis Princely Collection in Bavaria two years ago. But he in fact fervently hoped to keep the collection intact and he offered it to the regional



Simon de Pury with a sauce dish, one of the more than 25,000 objects on sale.

government of Baden-Württemberg for what he described as "a special price" of \$55.6 million.

But he did not allow for the vagaries of politics. And in no time, the margrave's offer had set off a fierce battle inside the state coalition government based in Stuttgart. The conservative Christian Democrats favored buying the collection, but the left-leaning Social Democrats saw no reason for taxpayers to bail out an aristocratic family in distress. "Not a penny for the margrave," became their war cry.

The immediate result was that the House of Baden's offer was rejected, but negotiations nonetheless continued. "At one point, I was talking to four ministries and a representative of

the prime minister's office and meanwhile I was trying to prepare the catalogue," said Christoph Graf Douglas, the head of Sotheby's in Germany who acted as an adviser to the margrave. "We had no signature from the state and we had already spent over \$2 million."

Finally, a half-way deal was worked out, with the state government agreeing to pay \$31.6 million for the pick of the collection, including its most valuable item, a set of five early 16th-century painted altar panels by the German artist Bernhard Strigel, for which the Arts Ministry paid \$8.3 million. The margrave's library was also part of the government purchase.

Douglas said he was glad that the most

important objects will now stay in Baden-Württemberg. But, from a financial point of view, he added with a laugh, it was "perhaps lucky" that the government did not buy everything. "In February, we had done a very rough inventory," he said, "but the more we studied the collection, the more it seemed to be worth."

On Friday evening, after the first two days of the auction, his instinct was proven right: sales had already exceeded the pre-sale estimate of \$20 million for the entire auction. With the aim of stirring interest in the auction, which ends Oct. 21, the most valuable items were of course offered early on, but takings appeared to be averaging about one-third higher than originally expected.

The controversy surrounding the sale has in turn helped draw the crowds to the hill-top castle. During five open days before the auction, more than 23,000 visitors, mainly Germans, looked over the collection which filled four marques as well as the 105 rooms of the four-floor castle. About 17,000 copies of the seven-volume catalogue have already been sold. And around 800 people had a large tent when auctioneer Simon de Pury invited bids for the first item, a 15th-century oak chest, on Thursday morning (it sold for \$66,025).

Preparing the collection for display was no easy task. Glassware and porcelain sets, some of them still in their original boxes, had to be washed. Delicate tapestries were still rolled up in newspapers dating back to the 1850s, while furniture had to be inspected for damage. And the attic was literally bursting with old chairs, picture frames and hundreds of stags' heads and antlers, many of them attached to plaques recording who shot the animals, where and when.

While museums, dealers and collectors, many of them bidding by telephone, clearly know what items they want, Sotheby's is also counting on selling many fairly worthless paintings, sticks of furniture and even porcelain bedpans simply because of their association with a German royal family. Douglas said he expected some items to go for 15 to 20 percent more than their objective value thanks to the "royal markup."

More of a problem is the castle, which the House of Baden would also like to sell after the auction empties it of its contents. "It's on the market," said Prince Bernhard, the margrave's 25-year-old son who is serving as his spokesman, "but we have no idea of the price. It will depend on who wants it, what restoration has to be done. Perhaps in the medium term the government will buy it. Not yet, of course. It's a problem we'll worry about after the auction."

POSTCARD

Heaney Is Welcomed Home as Symbol of Hope

By James F. Clarity
New York Times Service

DUBLIN — Seamus Heaney, the winner of the Nobel Prize in Literature, arrived home and was welcomed not only as a great poet in a land that loves writers and writing, but also as a symbol of hope for lasting peace in Northern Ireland.

Heaney, who was born in Northern Ireland 56 years ago but now lives in Dublin, was on vacation in Greece when his award was announced Thursday. For a full day, neither his children nor the scores of reporters seeking interviews could find him. He was invited to a dinner party Friday at the residence of U.S. Ambassador Jean Kennedy Smith, but did not appear.

But when he arrived at Dublin's airport Saturday night, after cutting his trip short

before he left Greece, "and still a bit incredible. It's an awesome dimension." Asked how he felt about being considered a peace symbol, he showed none of the annoyance of some friends, who thought he should have won solely as a poet.

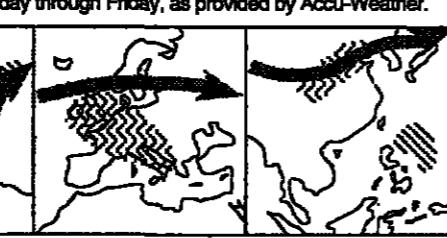
Heaney has dealt with Northern Ireland in his work and acknowledges that his point of view supports Roman Catholic charges of harsh discrimination by the Protestant majority. He left the British-ruled province in the early 1970s after he was threatened by Protestant paramilitary guerrillas.

"There has been a new mood in the country since last year," he said. "It's a very precious mood because it promises new energy. I'm also gratified that I've been honored as part of that. I've a very strong sense of belonging to the North, and of course I insist on being Irish."

□

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather.



Europe

North America

Asia

Latin America

North America

Africa

A WEDDING planner tip: To keep helicopters full of photographers from buzzing your star-studded reception, invite the president. This will enforce a no-fly zone, and if anyone strays, the Secret Service can just shoot them out of the sky. It worked for actors Mary Steenburgen and Ted Danson, who by all accounts had a relaxed but spirited family party on Martha's Vineyard after savoring their vows. In addition to the first family, the guest list included Tom Hanks, Jonathan Demme, Laura Dern, James Taylor, Kirstie Alley and Rhea Perlman. Only off-islanders wondered why Carly Simon was not there.

Basically, the island is divided into a Taylor camp and a Simon camp," said one source, referring to the union severed long ago, and the newlyweds are "in the Taylor camp." Simon was invited by the Clintons for coffee soon before they left the island.

□

The Duchess of York may be getting back together with Prince Andrew, but her mother-in-law won't have her performing royal duties, a newspaper reported. "The duchess will be told that her presence is not required with other members of the family at royal events including state occasions, Royal Ascot and garden parties at Buckingham Palace," The Mail on Sunday reported, referring to such events as the opening of Parliament and the popular June horse races.

□

Elizabeth Hurley, fed up with British media attention since her boyfriend Hugh Grant was caught with a Los Angeles prostitute, may move to Ireland and become a Roman Catholic, a close confidant said.

News of the possible move was given in Harpers and Queen Magazine by journalist

WILLIAM CASH, who shared an apartment with Hurley during her stays in Los Angeles. "I am half Irish even though I don't know any of my Irish relatives at all," she was quoted as saying.

□

Folks in "ER" are licking their wounds over their Emmy snub. George Clooney, who plays Dr. Doug Ross, said he was surprised when the NBC hit lost out to "NYPD Blue" for best drama. He was even more surprised when a rival TV doctor, Mandy Patinkin of "Chicago Hope," beat him as best actor.

□

Robert De Niro was charged with assault after allegedly bloodying a cameraman's nose outside a New York club. The actor surrendered to police and was booked and fingerprinted on misdemeanor charges, then released pending a court hearing next month. The cameraman, Joseph Ligier, told the Daily News that De Niro "punched me in the nose and grabbed my hair" after he refused to relinquish video he had been shooting.

□

Supermodels Naomi Campbell, Elle MacPherson and Christy Turlington were hit with a lawsuit for 4 billion lire (\$2.5 million) for alleged wrongful use of the trademark "Fashion Café" in Italy. Campbell's agent in Italy, David Brown, called the action "a delinquent, cheap publicity stunt" because it was filed during Milan's fashion week when Campbell had been modeling Italian designers' clothes.

□

Wynona Jennings returned to the house that his ill-fated friend Buddy Holly built in Clear Lake, Iowa, for the first time in 36 years. On the wall of

the Surf Ball Room is a photo

from the last time he played there — Feb. 3, 1959 — with Holly, Holly, Ritchie Valens and J.P. (The Big Bopper) Richardson were killed that night in a plane crash nearby.

Jennings was supposed to be on the plane, but he gave his seat to Richardson and rode the bus.

"I've kind of dodged thinking about that all my life," Jennings said. "You are never ready for someone dying and you feel guilty."

□

Julio Iglesias thinks he has a bad side. As the crooner greeted

several hundred fans at a con-

PEOPLE

cert in San Antonio, he pleaded with photographers to shoot only his right side. "Please no, that's my bad side," he said to an uninformative photographer.

□

Movie tough guy Steven Seagal says he would get in the ring with a heavyweight under the right conditions. "You never know until you try," he said. "If there were a way I became close with someone like Lennox Lewis, I would." Seagal joined Lewis and Donald Trump for a victory party in Atlantic City after Lewis's sixth-round heavyweight victory over Tommy Morrison.

□

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Peru⁺⁺ 171
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